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INVESTIGATION OF IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD

HEARINGS

BEFORE THE

SELECT COMMITTEE

ON IMPROPER ACTIVITIES IN THE
LABOR OR MANAGEMENT FIELD

EIGHTY-FIFTH CONGRESS

SECOND SESSION

PURSUANT TO SENATE RESOLUTIONS 74 AND 221, 85TH CONGRESS

MAY 14, 15, 16, 20, 21, AND 22, 1958

PART 29

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field



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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, MAY 14, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 2:30 p. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the Caucus Room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Barry Goldwater, Republican, Arizona; and Senator Karl Mundt, Republican, South Dakota.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; and Ruth Young Watt, chief clerk.

(At the convening of the session, the following members of the Senate select committee were present: Senators McClellan and Mundt.)

The CHAIRMAN. The committee will come to order. We begin a new series of hearings today, and the chairman will make a brief statement regarding the subject matter and what we expect to develop.

The staff making the investigation reports that this series of hearings by the committee will be devoted to the Great Atlantic & Pacific Tea Co., which, I am advised, is the largest retail organization in the world, and its labor relations and transactions with the Amalgamated Meat Cutters and Butcher Workmen of North America. The company operates about 4,500 stores in 40 States and Canada. The stores are serviced by 37 centrally located warehouses, 35 bakeries, 40 produce houses, 6 general factories, 2 milk plants for evaporating, canning, and shipping milk, 4 Alaska salmon canneries, and 9 coffee-roasting plants.

The company is divided geographically into seven sales divisions. For the years ending February 23, 1957, its consolidated income exceeded \$4.4 billion.

These hearings will be confined to labor-management relations affecting the company's eastern division, which has headquarters at 420 Lexington Avenue, New York City.

The division controls the New York metropolitan area and the management and supervision of more than 700 stores, with sales approximating \$19 million a week. These stores employ 15,000 to 16,000 full-time employees and 5,000 to 8,000 part-time employees. About 30

percent of the employees work in the meat departments and about 70 percent in the grocery, dairy, and vegetable departments.

A. & P. by its own admission, successfully opposed efforts of various unions to organize its store employees in the eastern division for a number of years. It was not until December 1946, that the first union contract was signed with Local 400 of the Meat Cutters Union covering the butcher employees in the Bronx unit, and in 1950 the company signed contracts with local 342, covering the Garden City and Brooklyn units.

The grocery clerks remained unorganized.

In 1952, Local 1500 of the Retail Clerks International Association, AFL, and Local 474 Retail, Wholesale and Department Store Union, CIO, participated unsuccessfully in NLRB elections to represent certain grocery clerks.

Thereafter, while an appeal of local 1500 was pending before the NLRB in Washington, as a result of the election in the Brooklyn unit and during a period when no NLRB election could be held for the Bronx unit, an announcement was made that the A. & P. and the Meat Cutters Union had signed contracts covering the grocery clerk employees of the Bronx, Brooklyn, and Garden City units.

The circumstances under which these contracts were negotiated and executed have been the subject of close scrutiny by the committee staff. The contracts in question ultimately involved the rights of more than 10,000 employees of the A. & P. in the New York metropolitan area.

Allegations have been made that certain company officials and some high-ranking officers of the Meat Cutters Union, acting in concert, resolved the issue of representation under highly dubious conditions, in an atmosphere of great secrecy, and in a manner that deprived the employees of the rights guaranteed them under the Taft-Hartley Act.

The committee also expects to inquire fully into other allegations that secret understandings existed between company and union officials that were never embodied in these contracts, and the practical effect of these, insofar as the company was concerned, was measurable in millions of dollars.

If these allegations are supported by the evidence adduced here, it is the opinion of the chairman that such conduct is repugnant to the true concept of proper collective bargaining.

Therefore, there is involved in this hearing principally collusion between management and unions, or union officials, that results in a disadvantage and a violation of the rights of employees.

Is there any further statement, Senator Mundt?

Senator MUNDT. None other than I think I should say, Mr. Chairman, for the record, speaking for myself alone, since I have not had an opportunity to examine the evidence which we are about to explore in public, I would not want my silence to indicate that I either approve or disapprove any of the implied conclusions. I do not know at this stage where the facts lie or where the evidence will lead.

I enter this particular hearing completely uncommitted, having no idea where the guilt, if any, lies.

The CHAIRMAN. The Chair takes full responsibility for the statement he made. Proceed, Mr. Counsel.

Mr. KENNEDY. The first witness, Mr. Chairman, is Mr. Patrick J. Reape.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. REAPE. I do.

**TESTIMONY OF PATRICK J. REAPE, ACCOMPANIED BY COUNSEL,
JOHN J. SHEEHAN**

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. REAPE. My name is Patrick J. Reape. I am business manager and president of Local 474 of the Amalgamated Meat Cutters and Butcher Workmen, a food employees' union, New York City.

The address is 100 West 42d Street.

The CHAIRMAN. Mr. Reape, you have counsel; do you?

Mr. REAPE. Yes, sir; I have.

The CHAIRMAN. Counsel, will you identify yourself for the record?

Mr. SHEEHAN. John J. Sheehan, 51 Chambers Street, New York City.

The CHAIRMAN. Thank you very much. Mr. Kennedy, you may proceed.

Mr. KENNEDY. Mr. Reape, your position at the present time is president of local 474; is that right?

Mr. REAPE. Yes; I am president of local 474.

Mr. KENNEDY. How long have you been president of local 474?

Mr. REAPE. For 12 years.

Mr. KENNEDY. That is now affiliated with the Amalgamated Meat Cutters?

Mr. REAPE. That is correct.

Mr. KENNEDY. Prior to that you were the retail, wholesale and department store union; is that right?

Mr. REAPE. That is right.

Mr. KENNEDY. CIO?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Had you made efforts during the period prior to 1952 to organize the A. & P. while you were president of local 474?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. You had made efforts to organize the clerks of the A. & P. stores?

Mr. REAPE. I formerly came from A. & P. I worked for the A. & P. Tea Co. for 17½ years.

Mr. KENNEDY. When did you work for them?

Mr. REAPE. From October 5, 1925, until May 12, 1941.

Mr. KENNEDY. What was your position when you left the A. & P. Co.?

Mr. REAPE. I was a manager of a store.

Mr. KENNEDY. Under what situation were you caused to leave A. & P.?

Mr. REAPE. Well, I do believe I was terminated because of my union activities.

Mr. KENNEDY. You were interested in the union at that time, having the employees belong to a union?

Mr. REAPE. From 1937 on.

Mr. KENNEDY. After you left the employment of A. & P., did you join a union or did you begin your own union?

Mr. REAPE. Well, I think I might clarify that for the reason that when I was terminated, Mr. Bieber, who was in charge of the Bronx warehouse, who terminated me, said that I had made 1 mistake in my 17 years. I said "Mr. Bieber, I made more than one mistake. However, the mistake that you charge me with I feel was not a mistake, because I know the need of organization in the A. & P. stores."

I said, "It may take me a year and it may take me 20, but I will never give up until I see A. & P. employees organized."

Mr. KENNEDY. Did he explain what the mistake was?

Mr. REAPE. No; he did not tell me what the mistake was.

Mr. KENNEDY. What did you feel the mistake was?

Mr. REAPE. There was only one conclusion I could reach.

Mr. KENNEDY. What?

Mr. REAPE. That was the fact I had been active or very active in trying to organize my fellow employees.

Mr. KENNEDY. Had you discussed this with him prior to that time so that you knew that this was the complaint against you?

Mr. REAPE. No; I had not discussed it with him.

Mr. KENNEDY. How did you know that this was the mistake that he had in mind?

Mr. REAPE. Well, certainly in trying to organize A. & P. that was a rough job, because every time we went into the stores the cops were called or somebody else, and they tried to throw us out. They used every—

Mr. KENNEDY. That was after you went with 474?

Mr. REAPE. No; before I even left A. & P. I was out organizing while I was still a manager, on my half day off.

Mr. KENNEDY. And the A. & P. had an active campaign against union organizers?

Mr. REAPE. Definitely.

Mr. KENNEDY. How would that take place? What would they do?

Mr. REAPE. Well, a number of the employees on their day off used to go around to the different stores and speak to their fellow employees and tell them of the need for a union, advise them of the reasons that they should belong to a union. Naturally, when you started out at store No. 1, you had either the supervisor or somebody else following you down the line, in order to discourage the employees in the store from speaking to those of us who were active.

Mr. KENNEDY. You spoke about the fact that they had policemen throw you out of the store. Did that happen occasionally?

Mr. REAPE. Well, they tried to, but they never threw me out. I always had enough reasons. I felt it was a public place, and that I had a right to be in there.

Mr. KENNEDY. Did they bring policemen into the store to throw you out when you were attempting to organize?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Were you able to leave under your own power?

Mr. REAPE. Well—

Mr. KENNEDY. You never got thrown out physically?

Mr. REAPE. Never.

Mr. KENNEDY. You continued your organizing work through the 1940's, did you, attempting to organize the clerks of the A. & P.?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Did you have this opposition during the 1940's, also?

Mr. REAPE. We always had opposition.

Mr. KENNEDY. The way you have described the opposition? That occurred during all of 1940?

Mr. REAPE. Yes.

Mr. KENNEDY. What about in 1950, 1951, and 1952. Were you still trying to organize the clerks of the A. & P.?

Mr. REAPE. That is correct.

Mr. KENNEDY. Did you have any success during that period of time?

Mr. REAPE. Yes, I would say that we lost an election in 1951. We protested the election at that time, protested to the National Labor Relations Board, and filed an unfair labor practice charge. As a result of that, there was another election held in 1952. We lost that election by less than 100 votes, I believe. I am not positive of the correct amount of votes, but I know there was possibly less than 100 votes.

The CHAIRMAN. What were the total votes?

Mr. KENNEDY. I have the figures.

Mr. REAPE. I don't have the exact figures.

Mr. KENNEDY. The A. F. of L. of L, local 1500, got 226 votes, no union got 1,133 votes, and local 474 got 772 votes, for a total of 2,131 votes.

But that means an improvement over how you had done in the past?

Mr. REAPE. Yes, it was.

Mr. KENNEDY. Were the people at that time frightened about joining a union?

Was there any fear that you noticed amongst the A. & P. employees?

Mr. REAPE. Well, the A. & P. supervisors and managers at all times threw that amount of fear into the minds of the men, that if they talked to the union officials, or if they signed a card, that they would be terminated. I mean, the A. & P. officials insisted upon the employees not speaking to us. They also picked up leaflets that we distributed in the stores so that the employees would not have a chance of reading those leaflets.

Mr. KENNEDY. But you knew of cases where the A. & P. supervisors or managers of stores went to employees and told them that if they joined the union, their employment would be terminated?

Mr. REAPE. Yes, I have been told so by the employees.

Mr. KENNEDY. That happened in a number of cases during this period of time?

Mr. REAPE. Yes.

Mr. KENNEDY. So by the time 1952 came along, despite this campaign against unionization by the company, the fact that you got 770 votes you felt you were improving your position; is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. This election that you just mentioned was held on March 9, 1952; is that right?

Mr. REAPE. I believe that was the date.

Mr. KENNEDY. Did you continue to try to organize and get ready for an election the following year?

Mr. REAPE. No; we did not start a campaign immediately, not until, I would say, September or October, because we felt or knew from past experience that we could not get an election from the National Board within 1 year. We also felt that it was always best to wait until 2 or 3 months before it was possible of having an election to start a campaign, for the simple reason that we felt that a short and aggressive campaign was much more effective than a long, drawn out one.

Mr. KENNEDY. Did most of the retail chains in the New York area at that time have a 45-hour week?

Mr. REAPE. In 1952?

Mr. KENNEDY. Yes.

Mr. REAPE. Yes.

Mr. KENNEDY. You had a contract, did you not, with the Safeway Stores?

Mr. REAPE. That is correct, sir.

Mr. KENNEDY. Had you been pressing the Safeway Stores for a 40-hour week?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. And had the Safeway Stores agreed about September of 1952 that they would grant a 40-hour week?

Mr. REAPE. Yes.

Mr. KENNEDY. Was this quite a concession by a retail store?

Mr. REAPE. Yes; in New York it was.

Mr. KENNEDY. It was?

Mr. REAPE. Yes.

Mr. KENNEDY. Would this mean loss of a considerable amount of money to go from a 45-hour week to a 40-hour week?

Mr. REAPE. Well, certainly, I think I can safely say it was putting the Safeway Stores at a disadvantage insofar as competition is concerned in the field.

Mr. KENNEDY. But they had indicated at that time that they would sign a 40-hour week; is that right?

Mr. REAPE. That is right.

Mr. KENNEDY. And their contract would embody a 40-hour week clause or provision. That was in September or October of 1952. It was about this time that you began to reactivate your campaign in the A. & P. stores?

Mr. REAPE. That is correct. I might explain in reference to that that we had found from past procedures and past practice that any increase we got from Safeway in previous years, starting a campaign in A. & P., A. & P. immediately came up with the same type of an increase as we had gotten. We felt that since Safeway had offered a 40-hour week, starting a campaign in A. & P. at the time would force A. & P. men into giving a 40-hour week to their employees at the time, or, on the other hand, that we would again prove to the employees of A. & P. that it certainly was to their advantage to belong to a union.

Mr. KENNEDY. Coming to October of 1952, did you hear any rumors at that time that the Amalgamated Meat Cutters and Butchers Union was interested in organizing the A. & P. clerks?

Mr. REAPE. I would say that possibly toward the end of September or early in October I did hear rumors from clerks that the butchers

working in the stores had been asking the clerks to sign cards, and they had told those clerks that the cards were just so as to help them get a better contract.

Mr. KENNEDY. Was that pretty well known, then, that the Amalgamated Meat Cutters had become interested in trying to organize the clerks?

Mr. REAPE. No, I would not say that. It was not known that the Amalgamated Meat Cutters were trying to organize the clerks. The story that was given to the clerks by the butchers was this, that if they signed the cards, it would help them in their bargaining efforts with A. & P.

Mr. KENNEDY. At this time, the Butchers and the Meat Cutters had a contract with the A. & P., did they not, covering the butcher employees?

Mr. REAPE. That is correct.

Mr. KENNEDY. And that is about 30 percent of the employees in the A. & P. stores?

Mr. REAPE. That is right.

Mr. KENNEDY. But they did not have a contract covering the clerks?

Mr. REAPE. That is correct.

Mr. KENNEDY. You understood that they were going around, attempting to get the clerks to sign cards in order for an election to be held in the A. & P. stores?

Mr. REAPE. No, there were none of the clerks in the stores told by the meatcutters in the particular stores that those cards were signed in order to petition for an election.

They told them that they were holding those cards so as to influence or help them insofar as negotiating the contract for the butchers.

Mr. KENNEDY. Help them when they had to sit down and negotiate a contract?

Mr. REAPE. And negotiate a contract, that is correct.

Mr. KENNEDY. I would like you to identify this letter of October 17, 1952.

The CHAIRMAN. The Chair hands you a photostatic copy of a letter dated October 17, 1952, written on National Food Chain Store Employees' stationery, and signed Patrick J. Reape, business manager.

Will you examine this photostatic copy and state if you identify it as a copy of the original?

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. KENNEDY. You are familiar with that letter?

Mr. REAPE. Yes.

The CHAIRMAN. You identify—

Mr. REAPE. This is a copy of the letter which I sent to the A. & P. Tea Co.

Mr. KENNEDY. I will read it into the record.

I will ask Mr. May, my assistant, to read it into the record.

The CHAIRMAN. Mr. May, you may read the letter into the record.

Mr. MAY. This letter is directed to the Great Atlantic & Pacific Tea Co., eastern division, 370 Southern Boulevard, New York, N. Y.; attention A. A. Bieber. [Reading:]

Gentlemen, we have been informed by the members of this union who are employed in your stores within the Bronx unit that you contemplate signing a

collective bargaining agreement with certain butcher unions for employees employed as grocery, vegetable, and dairy clerks and checkers. Please be advised that this union has been designated by a majority of such employees to bargain for them, and it has been restrained from making any formal application due to the fact that the election conducted by the National Labor Relations Board was held in March of this year. Under the rules of the National Labor Relations Board, another election may not be held sooner than 12 months following the date of the previous election. As you are undoubtedly aware, this union received the largest number of votes of any of the competing unions on the ballot in the last election conducted by the National Labor Relations Board.

It would have received a clear majority if it were not for interference by your supervisors. We have authorized our attorneys to take any and all steps to insure that our members' legal rights will not be jeopardized by any deal between you and the unions favored by you.

We are calling upon regional and State CIO officials to assist us in our efforts to secure democratic representation for your employees. We would like to be informed by you whether you contemplate signing an agreement with the union covering grocery, vegetable and dairy clerks and checkers, or whether you have signed such an agreement.

Very truly yours,

PATRICK J. REAPE, *Business Manager.*

The CHAIRMAN. You had information at the time of writing this letter, that there had been an agreement made to take the clerks into the Butchers' Union, or that a contract had already been made?

Mr. REAPE. Yes, sir; I had.

The CHAIRMAN. You were inquiring about it. You had information that they were about to or had already, and you were inquiring about it at that date?

Mr. REAPE. That is correct.

The CHAIRMAN. And that was because your union was the proper one to organize the clerks?

Mr. REAPE. Yes, sir.

The CHAIRMAN. And not the Butchers?

Mr. REAPE. Yes, sir.

The CHAIRMAN. Is that your contention?

Mr. REAPE. That is my contention.

The CHAIRMAN. It was your intention to make that known to them at the time?

Mr. REAPE. That is correct.

The CHAIRMAN. That put them on notice?

Mr. REAPE. That is correct.

The CHAIRMAN. All right.

Mr. KENNEDY. What had you heard about an agreement that was signed or was going to be signed with the meatcutters and the Butchers, taking it up to the first or second week of October?

Mr. REAPE. Well, I believe it was on a Friday morning that the employees reported to work, and each one of them was given a notice by the manager of the store, advising them that they were now in the union and they had to become members within 30 days.

I would say that our office was flooded with calls all that day from all over the city. The employees could not understand why a contract had been signed without their knowledge or without them knowing about it.

The CHAIRMAN. As I understand you, as they came to work they were told by management or a representative of management that the store was union, and they would have to join within 30 days or lose their job.

Mr. REAPE. That is right. I believe that letters had been signed by Mr. Bieber in the Bronx unit and I get by the managers of the different units within the eastern division, advising, and copies of this letter was given to all employees, advising them that a contract had been signed.

The CHAIRMAN. And no election had been held so that the employees might express their preference or express their choice of that union, or to reject that union?

Mr. REAPE. It is my firm belief that not one single employee working for the A. & P. in the eastern division knew anything about negotiations, or knew anything about what had been going on until that morning.

The CHAIRMAN. In other words, it was just an arrangement between management and some labor leader or some labor union to bring them all into the union whether they desired to or not, is that correct?

Mr. REAPE. Right.

Mr. KENNEDY. What was your reaction to the signing of this contract, or when you heard a contract had been signed?

Mr. REAPE. Well, I think that after spending from 1936 to 1952, trying to bring organization to A. & P., and being fought by company officials all the way down the line, certainly my reaction was this, that the employees now were getting the union that A. & P. wanted. I felt a deal was made that was to the disadvantage of the employees.

Mr. KENNEDY. What was the reaction of the employees when they called you on the telephone to tell you that they had to pay these dues into the Butchers?

Mr. REAPE. Well, those employees felt, "Well, what should we do, walk out now or what? We don't want any part of it. If we are going to have a contract, we want to see something about it. We want to have a chance to see it, know what is in it, and have a chance to ratify the contract under the democratic procedure."

Mr. KENNEDY. Had you known at that time that there had been some kind of a card count that had occurred?

Mr. REAPE. Not at that time. I did hear of that afterward.

Mr. KENNEDY. Did you know that some of the employees had signed cards which indicated that they wanted to join the Butchers Union?

Mr. REAPE. I did not know of any clerk who signed cards with the intention of joining the Butchers Union. I feel that some members or some clerks did sign cards because they were given a wrong impression as to what the idea of signing the cards was for, what it was for.

Mr. KENNEDY. What was the impression that they gained when they signed the cards, as they related it to you?

Mr. REAPE. Well, they felt they were helping the butchers to get a better contract by signing.

Mr. KENNEDY. Had the company opposed the employees' signing the cards? Did they report anything along those lines to you, that the company had opposed this union as they had opposed your union?

Mr. REAPE. I heard no complaints. I mean, I heard nothing from the employees to the effect that management had opposed them signing those cards.

Mr. KENNEDY. Had you heard to the contrary, that management was assisting the union in getting the employees to sign any of these cards?

Mr. REAPE. Yes; I did hear that.

Mr. KENNEDY. Were there individuals who called you in these first few days, who told you that the management had assisted the union in having the employees sign up?

Mr. REAPE. Yes; I did.

Mr. KENNEDY. About that period of time, or subsequently, and this would be in the middle of October of 1952, did you hear any rumors or learn that the Meat Cutters had guaranteed a 45-hour week for an extended period of time to the A. & P. Co.?

Mr. REAPE. Not immediately. I did hear that possibly a year or so later. But I did not hear anything about it at that time.

Mr. KENNEDY. After you learned that this contract had been signed between the Butchers and the A. & P. Co., what steps did you take as a representative of local 474 to try to permit the employees to select their own union?

Mr. REAPE. We first filed an unfair labor practice charge before the National Labor Relations Board.

Mr. KENNEDY. Was there a hearing on that then?

Mr. REAPE. Yes; there was.

Mr. KENNEDY. What was the result?

Mr. REAPE. Well, there was informal conferences, and the result was that the officials of the National Labor Relations Board, after a number of months had passed, informed us that they felt we did not have sufficient information in order to throw out the contract, in order to bring about an election.

Mr. KENNEDY. Did the employees themselves take any steps to try to get rid of the Butchers' Union?

Mr. REAPE. Yes. The employees themselves, a group of them, signed a petition for deauthorization of the union shop.

Mr. KENNEDY. In what section of the A. & P. stores was this?

Mr. REAPE. In the Bronx unit.

Mr. KENNEDY. How many stores are there in the Bronx unit, approximately?

Mr. REAPE. Well, I guess about 180.

Mr. KENNEDY. And the employees there got together and signed a petition to try to get rid of the Butchers' Union?

Mr. REAPE. That is right.

Mr. KENNEDY. That was a deauthorization petition?

Mr. REAPE. That is correct.

Mr. KENNEDY. How many employees signed the deauthorization petition?

Mr. REAPE. I would say that more than 30 or 40 percent of the employees signed the deauthorization petition.

Mr. KENNEDY. Were there approximately 960 employees who signed a petition to the National Labor Relations Board requesting a deauthorization election?

Mr. REAPE. I could not say exactly, but that may be correct.

Mr. KENNEDY. I believe that is the figure, 960; 960, Mr. Chairman.

Mr. REAPE. By the way, I do believe we had to file the signatures with the Board in order to get a hearing or get the decertification election.

Mr. KENNEDY. I believe it is called deauthorization, is it not, rather than decertification?

Mr. REAPE. Yes.

Mr. KENNEDY. Then after the National Labor Relations Board received this petition from some 960 employees, did they make arrangements to hold a deauthorization election?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. And did the company at that time cooperate to try to help the employees get rid of this union, or did they oppose the employees who were trying to get rid of it.

Mr. REAPE. The company at that time used, I believe, all of their influence in order to try to support the union that they had signed a contract with.

Mr. KENNEDY. They did everything to support the butchers' union and to oppose the employees who were trying to get rid of the union, is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. This was a complete reversal of their former position of being against every union?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Did they put out literature telling the employees that they should not even vote in the election? Are you familiar with any of the literature that the company put out at that time?

Mr. REAPE. Well, I am not sure. I have been advised that the company put out literature. I possibly could identify it.

Mr. KENNEDY. Did the Butchers Union put out literature, do you know that?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Urging people not to vote in the election?

Mr. REAPE. That is correct.

Mr. KENNEDY. In order to have a successful deauthorization, it took 50 percent of all of the eligible voters, is that correct?

Mr. REAPE. That is correct.

Mr. KENNEDY. It is not 50 percent of those who vote, but 50 percent of all of the eligible voters in the union?

Mr. REAPE. That is correct.

Mr. KENNEDY. So that would mean that if a person did not vote, it would actually be a vote in favor of the union and against deauthorization?

Mr. REAPE. Correct.

Mr. KENNEDY. That is what it would amount to. So the company was urging the employees not to vote, is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. And the Butchers Union, was urging the employees not to vote?

Mr. REAPE. Correct.

Mr. KENNEDY. What about the polling places? Did the company make it easy for the employees to go to the polls to cast their ballots in the election?

Mr. REAPE. Well, I think first of all we tried in the conferences down at the Board to get balloting places in several places throughout the city. We found that our idea was opposed both by the Butchers Union and management, to the extent that we had just, I think, two

places in Manhattan and I can't say whether there were 1 or 2 in the Bronx.

Then we had a traveling ballot throughout Westchester County.

Mr. KENNEDY. But there were central polling places, is that right?

Mr. REAPE. Yes.

Mr. KENNEDY. And the company, if they had been so inclined, could have had more polling places and in more convenient spots?

Mr. REAPE. Well, that was the responsibility of the NLRB, to secure the polling places for the election.

Mr. KENNEDY. But they have to get permission, do they not, from the company, as to where the polling was?

Mr. REAPE. They have to get the consent of all parties.

Mr. KENNEDY. Previously, in the other elections that you had been involved in, the company had placed a great number of polling places, isn't that right?

Mr. REAPE. They were always in favor of a great number of polling places.

Mr. KENNEDY. But at this time, where it would have been harmful to the butchers union to have a great number of people vote, there were just a few polling places, is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. There was an election held and a good number of the employees did vote, did they not, in the election?

Mr. REAPE. Yes.

Mr. KENNEDY. Do you know what the results were?

Mr. REAPE. I don't remember the exact number for the against, I think around 1,000, I think, voted.

Mr. KENNEDY. I will read the figures and you tell me if they are correct.

Mr. REAPE. All right.

Mr. KENNEDY. Out of 2,344 eligible voters, 979 votes favored withdrawal of union authority and 172 votes were against withdrawal of union authority.

Are those figures correct?

Mr. REAPE. That is correct.

Mr. KENNEDY. So the antibutchers' faction won the election about 8 to 1, but they were unable to get the 50 percent of the eligible voters, isn't that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. So you lost the deauthorization election?

Mr. REAPE. That is right.

Mr. KENNEDY. There needed to be 1,168 votes in favor of deauthorization, and the deauthorization received only 979.

Mr. REAPE. That is correct.

Mr. KENNEDY. So that was 189 short.

Mr. REAPE. Yes.

Mr. KENNEDY. That was just in the Bronx unit, is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. Were the people very opposed, actively opposed, to paying their dues into the butchers union?

Mr. REAPE. Yes.

Mr. KENNEDY. Were they told by management that they would have to pay their dues or otherwise they were going to get fired?

Mr. REAPE. That is correct.

Mr. KENNEDY. And that they would have to join up with the union? Did you have a number of instances that came to your attention where individuals were told that they either had to pay their dues or they would be fired?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. This, again, is a complete reversal from the position that A. & P. had taken before, is that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. What about the people that had led the fight for your union, the individuals, the employees of A. & P. who had been interested in bringing 474 into the A. & P. Co.?

After this deauthorization election did they receive any harsh treatment from the A. & P. Co. or from the butchers union?

Mr. REAPE. Yes. A number of them were fired.

Mr. KENNEDY. How many of them were fired?

Mr. REAPE. I would say 8 or 10. There were a number of them fired.

Mr. KENNEDY. About 10 of them were fired?

Mr. REAPE. I would say 8 or 10, and possibly more.

The CHAIRMAN. You mean those that voted for deauthorization were fired because of their activity in trying to get the union deauthorized?

Mr. REAPE. That is right. They also refused to pay their dues, and I would say that most of those who were leaders in the fight were terminated.

Mr. KENNEDY. Now, there was a union contract, was there not, in which it was stipulated that everybody had to pay their dues?

Mr. REAPE. That is correct.

Mr. KENNEDY. That was the agreement with the butchers?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Under that contract if you did not pay your dues, you could be fired, isn't that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. So the complaint here was that there were approximately 1,100 people or more who refused to pay their dues in this unit, and they selected these 10 who were the ones who were the leaders in the faction for your union and against the butchers, to fire, isn't that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. They picked out these 10, and you brought a complaint, or they brought a complaint to the National Labor Relations Board, on the basis that they were selected because they were against the butchers' union, rather than on the fact that they had not paid their dues?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Now, what was the result in the case of those 10 individuals?

Mr. REAPE. Well, we got, I would say, practically all of them jobs in other stores. Some of them did lose a few weeks work, but we had them placed in Safeway, so that it was possible.

Mr. KENNEDY. Were their charges sustained that they brought against the company for firing them?

Mr. REAPE. No.

Mr. KENNEDY. Did they receive any money?

Mr. REAPE. From the company you mean?

Mr. KENNEDY. Did they receive any money from anybody in connection with being fired?

Mr. REAPE. Yes. During the year 1954, we changed our affiliation from the Retail, Wholesale, and Department Store Union to the Amalgamated Meat Cutters and Butcher Workmen.

Mr. KENNEDY. What brought that about? You joined the opposition at that time, did you?

Mr. REAPE. Well, there were reasons for it. We felt that in the CIO at the time we had the only butchers in the entire CIO, and we found from practical experience that it was advantageous to our members to be in the AFL. In case any of our members, our butchers, lost their job, they could get a job in some of the other stores.

We found that they would possibly be discriminated against because of the fact that we still maintained our position in the retail and wholesale workers.

Also, I might say that at the time in negotiating with the Amalgamated Meat Cutters, we were given to understand by the top leaders——

Mr. KENNEDY. Who was that?

Mr. REAPE. Mr. Gorman, secretary-treasurer, and Mr. Jimerson, who has since died.

Mr. KENNEDY. He was president at the time?

Mr. REAPE. He was president at the time; yes. That, if we changed our affiliation from the CIO to the Amalgamated Meat Cutters, it would be compulsory for the Amalgamated to get a 40-hour week in A. & P. in the next contract.

Mr. KENNEDY. When did you change over?

Mr. REAPE. I believe it was May 1954.

Mr. KENNEDY. And they had assured you prior to the time that you changed over, that the butchers would obtain a 40-hour week from the A. & P. Co.; is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. And you had already obtained this 40-hour week from the Safeway Co.; isn't that right?

Mr. REAPE. We had been working on a 40-hour week from, I believe, some time in September of 1953. We had obtained the 40-hour week as of 1952, but we had to submit the terms of the contract to the Wage Stabilization Board in order to be approved. I believe it was approved in the following year, in 1953.

Mr. KENNEDY. The problem for you at that time was the reopening of the contract with Safeway, where you already had these better terms. You had already obtained a 40-hour week. The problem was reopening a contract and sitting down and trying to negotiate with Safeway for new terms, for better terms, when the A. & P. still was on a 45-hour week; is that right?

Mr. REAPE. That is right.

Mr. KENNEDY. This was a major problem for you?

Mr. REAPE. Exactly.

Mr. KENNEDY. With the assurance from Mr. Gorman, and Mr. Jimerson, at that time, that they would obtain a 40-hour week from the A. & P. Co., your union joined up with the Meat Cutters; is that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. For that and the reason you just mentioned?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. And he gave you assurances at that time that they would obtain a 40-hour week from the A. & P. Co.?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. This was in 1954 that you had these discussions, that you made the arrangements with Mr. Gorman and Mr. Jimerson to join up with the Meat Cutters.

Mr. REAPE. Well, Mr. Gorman, Mr. Jimerson, and Vice President Joe Belsky, from New York.

Mr. KENNEDY. Did you have some conversations with Mr. Block?

Mr. REAPE. Yes; we did have.

Mr. KENNEDY. Which Mr. Block was that?

Mr. REAPE. Max Block.

Mr. KENNEDY. Now, going back to our original question as to what occurred about the 10 individuals. After your union became affiliated with the Meat Cutters, did you get the case of the 10 individuals settled, who had been fired?

Mr. REAPE. After we changed our affiliation, the international lawyers called me into their office in Chicago while we were attending the convention in May of 1954 and asked me if I would not intercede with those employees who had been terminated to withdraw the charges before the NLRB. I did tell the attorneys at that time that certainly I had no control over those men.

While they had filed those charges independently of our local, certainly I could not insist upon them withdrawing their charges. That would be a matter for those individuals themselves.

I did say, however, that possibly if those men were reimbursed for some of the sufferings they had during Christmas of 1953, possibly something could be done about it.

Mr. KENNEDY. Was it arranged to reimburse them?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. With whom were those discussions conducted?

Mr. REAPE. Those discussions mostly were conducted with Mr. Belsky and Mr. Gorman.

Mr. KENNEDY. Now, how much were they reimbursed, each one of these individuals?

Mr. REAPE. Eight of these employees received \$500 each.

Mr. KENNEDY. Did they receive that \$500 from the company?

Mr. REAPE. Not from the company.

Mr. KENNEDY. They received it from the union?

Mr. REAPE. That is correct.

Mr. KENNEDY. Although they had been fired by the company; is that right?

Mr. REAPE. That is right.

Mr. KENNEDY. What was the reason they received money from the union rather than from the company?

Mr. REAPE. That I cannot explain. I felt from the question that was put to me by the attorneys in asking me to have the charges withdrawn, it would look bad for local 474 being within the Amalgamated and still having charges made.

Mr. KENNEDY. You don't have any explanation as to why the union paid these charges rather than the company paying the charges?

Mr. REAPE. No, sir.

Mr. KENNEDY. But the charges against both the union and the company were withdrawn; is that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. Now tell me this: The second part of it was that you had received the assurances that the Meat Cutters would attempt to obtain a 40-hour week from the A. & P. Co., when you went into this union?

Mr. REAPE. That is right.

Mr. KENNEDY. Did they in fact obtain the 40-hour week at that time or at the next negotiations?

Mr. REAPE. No, sir.

Mr. KENNEDY. Did you learn during this period of time that there had been an agreement, a secret agreement permitting the A. & P. Co. to keep a 45-hour week for an extended period of time?

Mr. REAPE. I did hear that.

Mr. KENNEDY. You heard that?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. That would be a 45-hour week for an extended period of time, is that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Would you tell us what you learned about that, and from whom you learned it?

Mr. REAPE. I had heard rumors about it and our contract with Safeway had expired as of September 30, 1954. Due to the fact that there was still a difference of 5 hours per week and the A. & P. employees received for 45 hours approximately the same rate of pay that our members received for 40 hours, I called Mr. Block and asked if I could see him.

Mr. KENNEDY. Which Mr. Block is that?

Mr. REAPE. Max Block.

Mr. KENNEDY. What was his position at that time?

Mr. REAPE. He was president of 342.

Mr. KENNEDY. And 640?

Mr. REAPE. Yes; and 640.

Mr. KENNEDY. And he is also a vice president of the international; is he not?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. Go ahead. You had some conversations with him?

Mr. REAPE. Myself and one of our business agents, Mr. Gloster met Max Block in his office and went for lunch at Luchow's. While having lunch, I asked Max Block what was happening in the A. & P. negotiations, and he said, "Well, we are getting \$7.50 a week of an increase."

I said, "Max, how about the hours?" And he said, "Well, we are going along with 45 hours for another 2 years."

I said, "No good, because getting \$7.50 a week of an increase will not bring you up to the salaries that we have for employees of Safeway, and with a contract such as that, if that is signed, I am positive that we will have to strike Safeway."

Senator MUNDT. Strike Safeway or A. & P.?

Mr. REAPE. Safeway. I represent local 474, which represents the Safeway Stores in New York City.

Senator MUNDT. I just don't follow why you would strike Safeway if they were giving you a better contract than A. & P.

Mr. REAPE. Safeway refused to make an offer so long as A. & P. still continued on a 45-hour week.

Mr. KENNEDY. They claimed it was very unfair; is that right?

Mr. REAPE. They claimed they were at a disadvantage.

Mr. KENNEDY. And discriminated against?

Mr. REAPE. Yes, sir. I did ask Max Block at the time, and I said, "Why didn't you consider getting at least a 42½-hour week this year, and possibly going to a 40-hour week next year, so that we might equalize or standardize the rates of pay and the hours of work for the entire industry in New York City?"

And he said, "It can't be done. We are getting a good increase, and we are getting \$7.50 and that is it."

I felt very discouraged after hearing that, based on the fact that I had been advised by the international officers that in the next contract in A. & P., the 40-hour week would be guaranteed. I called Mr. Gorman in Chicago and made an appointment to see him. I think the following Friday.

Mr. Gloster and I went out to Chicago and met Mr. Gorman, and I explained to him my conversation with Max Block in New York, and also explained the problem that we were going to have in negotiating a contract with Safeway.

I also advised the international officers of promises that were made to us when we were changing our affiliation from the Retail, Wholesale and Department Store Union to the Amalgamated Meat Cutters, and I asked Mr. Gorman if there wasn't something he could do about it, again repeating the fact that unless the hours in A. & P. were shortened in 1955, we certainly would be forced to have a strike against Safeway.

I said, "You made a promise and I am here to demand my pound of flesh."

Those are the exact words I used. I said, "There have been rumors that a 5-year contract was signed, and I don't know whether or not that is so."

I said, "Mr. Gorman, do you know anything about a 5-year contract being signed with A. & P.?"

Mr. Gorman's answer to me was, "Well, if Max Block made a promise to A. & P., I guess he would live up to it."

That was more or less the end of the conversation regarding the 40-hour week in A. & P., with the international officers.

Mr. KENNEDY. If the 5-year contract for the 45-hour week had been signed or made, any agreement of that kind, it would have been a secret agreement; would it not?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. That had not been made public?

Mr. REAPE. No, sir.

Mr. KENNEDY. And none of the employees knew about it?

Mr. REAPE. No, sir.

Mr. KENNEDY. Did you gather from the way Mr. Gorman talked that he was aware of this agreement that had been made by Mr. Block?

Mr. REAPE. I would say that Mr. Gorman let me think he didn't know anything about it but I felt by about the way he spoke he didn't know anything about it.

Mr. KENNEDY. What reason was he giving you then for not living up to the agreement that he had made with you that you would be able to obtain a 40-hour week from the A. & P. stores?

Mr. REAPE. Mr. Gorman did say, "I will tell you what I will do. I will get in touch with Max and see if anything can be done about it."

Mr. KENNEDY. Was anything done about it?

Mr. REAPE. He said if anything could be done about getting the 40-hour week in A. & P.——

Mr. KENNEDY. Was anything ever done about it?

Mr. REAPE. No, sir.

Mr. KENNEDY. For another period of time, they retained the 45-hour week?

Mr. REAPE. That is correct.

Mr. KENNEDY. Did you learn anything further about whether there had been a secret agreement to give A. & P. Co. a 45-hour week for this 5-year period, starting in October 11, 1952?

Mr. REAPE. I have still heard rumors that there was a secret agreement, but I can't prove it.

Mr. KENNEDY. This is as close to the truth as you got; is that right?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. And nobody knew for a fact, there wasn't anything written that was made public to the employees, telling them about it?

Mr. REAPE. As far as I know; that is right.

Mr. KENNEDY. What was your attitude toward the Butchers and Meat Cutters after that?

Mr. REAPE. Well, in leaving Chicago, I told Mr. Gorman, "You had better be prepared for a long strike in New York, because of this."

The result was that we were forced to strike Safeway, and we were out for 9 weeks, or 8 weeks, I believe, from June 9 until August 9, in 1955.

Mr. KENNEDY. Was it successful?

Mr. REAPE. Yes; we finally got a settlement.

Mr. KENNEDY. It was completely unfair really to the Safeway Stores; was it not?

Mr. REAPE. I guess I would say it was.

Mr. KENNEDY. But you were forced into that position because of the fact that Mr. Gorman and Mr. Block failed to live up to their agreement?

Mr. REAPE. That is correct.

Mr. KENNEDY. And the Safeway Stores were the ones who suffered from it?

Mr. REAPE. And our members.

Mr. KENNEDY. And your own members?

Mr. REAPE. Yes, sir.

Mr. KENNEDY. And the employees of the A. & P. stores for the most part?

Mr. REAPE. Yes; that is correct.

Mr. KENNEDY. Have you taken an active roll, or continued an active roll in the Butchers since that time?

Mr. REAPE. Yes; I have.

Mr. KENNEDY. It hasn't affected your relationship?

Mr. REAPE. No, sir.

Mr. KENNEDY. Would you say in this whole matter that you, the employees of A. & P., had been misled?

Mr. REAPE. Yes, insofar as the terms and conditions of the contract were concerned, I would say so.

Mr. KENNEDY. Now, there is just one other matter that I want to go back to, and that is the payment of the money to these eight individuals who were fired. Do you know where that money came from, what particular local that came from?

Mr. REAPE. I am not positive, but I believe that the check came from local 342.

Mr. KENNEDY. Now, that is 342 of the Meat Cutters in Brooklyn; is it not?

Mr. REAPE. Yes, sir. Their offices are in Manhattan, but they cover Brooklyn.

Mr. KENNEDY. And these employees that had been fired were from the stores in the Bronx; isn't that right?

Mr. REAPE. That is correct.

Mr. KENNEDY. Could you explain why they took the money from local 342 in Brooklyn to pay to these employees of the A. & P. Co. in the Bronx?

Mr. REAPE. I couldn't explain, and I don't know.

Mr. KENNEDY. You could not explain that?

Mr. REAPE. No, sir.

(At this point, the following members were present: Senators McClellan, Mundt, and Goldwater.)

Mr. KENNEDY. It doesn't make any sense really; does it?

Mr. REAPE. Well, I don't think—

Mr. KENNEDY. Why would they use the dues of the local 342 people to pay for these employees in the Bronx?

Mr. REAPE. Well, that I could not understand.

Mr. KENNEDY. You are here under subpoena; are you not?

Mr. REAPE. Yes, sir.

The CHAIRMAN. Is there anything further?

Senator MUNDT. Mr. Chairman?

The CHAIRMAN. Senator Mundt.

Senator MUNDT. Is Mr. Gorman the international president of the union and Mr. Block the local business representative?

I am not sure of the relationship of those two.

Mr. REAPE. Mr. Gorman is the international secretary-treasurer.

Mr. Block is a vice president of the international. He is also president of local 342 in New York and local 640.

Senator MUNDT. What I was trying to establish in my own mind is which of the two has authority over the other. Is Mr. Gorman superior to Mr. Block?

Mr. REAPE. Yes, sir. Mr. Gorman is superior.

Senator MUNDT. He is superior?

Mr. REAPE. Yes.

Senator MUNDT. So he could have called Mr. Block and said "I want you to go ahead and work with Mr. Reape and get that 40-hour week."

He would have had authority to do that if he wanted to; is that right?

Mr. REAPE. That is why I called down on him and went to see him in Chicago.

Senator MUNDT. So when he said "I will discuss the matter with Mr. Block," he could have told you "I will tell Mr. Block that it is the position of the union that we want to have a 40-hour week."

Mr. REAPE. That is correct.

Senator MUNDT. Apparently he did not do that, or if he did do it, Mr. Block was insubordinate, because nothing happened?

Mr. REAPE. Nothing happened; yes, sir.

Senator MUNDT. Are these two men still the vice president and secretary-treasurer, respectively, of this union?

Mr. REAPE. Yes, sir.

Senator MUNDT. And you are an affiliate of the union?

Mr. REAPE. That is correct, sir.

Senator MUNDT. And this occurred in what year, 1952?

Mr. REAPE. No, it occurred in 1955. This occurred in 1955.

Senator MUNDT. What action, if any, have you taken within the circles of your own union to voice your displeasure against Mr. Gorman and Mr. Block?

Mr. REAPE. Well, I don't see—there isn't much that we can do. We have tried, through the retail committee and the conferences to get regional bargaining so as to establish equal rates, hours, and working conditions for the people within the area.

We feel that it has been done in other areas, and it has been very successful. We have used all the influence at our command in order to try and get bargaining on an area basis so that A. & P., Safeway, First National, and all the other stores would be on an equal basis.

Senator MUNDT. Do Mr. Gorman and Mr. Block resist those efforts of yours?

Mr. REAPE. No, sir.

Senator MUNDT. Well, do they approve of them?

Mr. REAPE. Well, there has been no cooperation insofar as the New York area is concerned up to the present.

The CHAIRMAN. There has been a signal for a rollcall vote in the Senate. The committee will have to suspend for a few moments until the Members can go over and cast their vote; we will resume in about 15 minutes.

(Brief recess. At the taking of the recess, the following members were present: Senators McClelland, Mundt, and Goldwater.)

(At the reconvening, the following members were present: Senators McClelland and Mundt.)

The CHAIRMAN. The committee will come to order.

Senator Mundt.

Senator MUNDT. As I recall, Mr. Reape, I was asking you a question at the time of the rollcall, as to what you had done in the union to protest against you tell us what seemed to be a sell-out of the interests of your union members by your top union officials, Mr. Gorman and Mr. Block, and you had said that you had proposed to them that there be areawide contracts. I asked did they resist that proposal, and you said "No." Maybe you misunderstood me, but that did not seem to make very good sense to me.

Mr. REAPE. Senator Mundt, when I say I did not resist it, there has been no contracts negotiated in the meantime. Presently, the A. & P. contract in New York expires on May 25, and our contract with Safeway expires on June 30, of this year. So the time is right at hand

now when I feel there is need to get the action which would put into operation the recommendations that have been made.

Senator MUNDT. Are you again insisting to Mr. Gorman and Mr. Block that they bring the contracts of Safeway and A. & P. into harmony in this matter of hours, in the matter of wages?

Mr. REAPE. Yes, sir.

Senator MUNDT. And what are they telling you? Are they telling you they are going to try, or are they telling you that they can't do it? What is their reaction?

Mr. REAPE. Well, they are telling me now that they are going to do it, it is going to be done.

Senator MUNDT. They are telling you now they are going to do it?

Mr. REAPE. Yes. I would like to say that the 40-hour week went into effect at A. & P. as of May 25, 1957.

Senator MUNDT. I noticed that. But you still have the 45-hour week at Safeway?

Mr. REAPE. No. We have a 40-hour week in Safeway since 1952.

The A. & P. employees got a 40-hour week as of May 25, 1957.

Senator MUNDT. So that you both have a 40-hour week now?

Mr. REAPE. That is correct, sir.

I would like to——

Senator MUNDT. Did you get that in spite of or because of the cooperation by Gorman and Block?

Mr. REAPE. Well, Senator, we had a 40-hour week effective in Safeway prior to changing our affiliation from the Retail and Wholesale to the Amalgamated Meatcutters.

Senator MUNDT. You told us that one reason you joined the opposition was that the opposition had told you they would get you a 40-hour week at A. & P.

Mr. REAPE. That is correct, sir.

Senator MUNDT. And from the incident you described, they did not do it, and that led to a strike at A. & P.

Now I ask you since you have obtained belatedly the 40-hour week contract that you desired with A. & P., did you get that 40-hour week contract at A. & P. because of the cooperation or in spite of the opposition of Gorman and Block?

Mr. REAPE. I would think it was through their cooperation.

Senator MUNDT. Through their cooperation?

Mr. REAPE. Yes, sir.

Senator MUNDT. What has changed their attitude? They would not cooperate with you the first time but they did the second time. What made them change.

Mr. REAPE. Well, it still comes back to the question that I am firmly convinced now that there was a secret agreement between Max Block and the A. & P., guaranteeing a 45-hour week for a period of 5 years, and the 5 years would have expired as of October 1957.

Senator MUNDT. And you got it in May of 1957?

Mr. REAPE. That is correct.

Senator MUNDT. Can you give us any special evidence, any direct evidence, anything besides just an uneasy hunch that you have, that they had this secret agreement? Can you give us something specific that we can bite into about there being a collusive agreement between A. & P. and Max Block?

Mr. REAPE. In regard to a 5-year contract?

Senator MUNDT. Precisely.

Mr. REAPE. I am sorry. I don't have any evidence to prove that there was such an agreement.

Senator MUNDT. You arrive at that conclusion simply because Block did not cooperate with you in fulfilling what you thought was his pledge to you to get you the 40-hour week; is that right?

(At this point, Senator Goldwater entered the hearing room.)

Mr. REAPE. That is correct.

Senator MUNDT. Did you get the pledge when you switched from a union affiliation which you had formerly to the union run by Mr. Block? Was it Mr. Block himself who told you "If you come and join us, we will get you the 40-hour week."

Mr. REAPE. I do not believe Mr. Block was present at the meeting when this particular phase of our negotiations was discussed. But I was firmly assured by the international officers that if we changed our affiliation that it would be mandatory for the Amalgamated to get a 40-hour week in A. & P. in 1954.

Senator MUNDT. Perhaps you should tell us who it was that gave you that assurance, in case it comes to be a matter of dispute later.

Mr. REAPE. Well, one of the individuals had died in the meantime, and that was Earl W. Jimerson, the president of the International of the Amalgamated Meat Cutters and Butcher Workmen.

Senator MUNDT. He would be over Mr. Gorman and Mr. Gorman is over Mr. Block?

Mr. REAPE. Well, the international officers are elected every 4 years, and while he is president of the international and also while Mr. Gorman is secretary-treasurer, each individual local has local autonomy, wherein they have certain rights and privileges, since Max Block happens to be a vice president of the international, certainly I feel that he possibly would have more privileges than I would as just a rank-and-file president of a local.

Senator MUNDT. Yes, but I am just wondering about the international president. The international president, if I understood you correctly, was the man who gave you the assurance that if you would come and join him, he would get you the 40-hour week.

Mr. REAPE. Not alone did the international president, but also Mr. Gorman, the secretary-treasurer, and the vice president, Joseph Belsky, who is in charge of the area in which our local operates.

Senator MUNDT. All three of them made you that promise?

Mr. REAPE. That is correct, sir.

Senator MUNDT. Mr. Block was not present at the time?

Mr. REAPE. No, sir. Not to my knowledge. I don't remember if he was there.

Senator MUNDT. Of the three—

Mr. REAPE. I am positive the three were there.

Senator MUNDT. Of the three, the only one that you have told us that you subsequently appealed to for fulfillment of the promise was Mr. Gorman. Mr. Gorman made the promise. You went to Mr. Gorman and said, "Now, let's keep this promise" and he said, "I will talk to Mr. Block," but he did not get the job done.

Now how about the president?

The CHAIRMAN. He died.

Mr. REAPE. He died in the meantime.

Senator MUNDT. How about the third man that you mentioned?

Mr. REAPE. Mr. Belsky.

Senator MUNDT. Did you go to him?

Mr. REAPE. Yes, I did.

Senator MUNDT. What did he say?

Mr. REAPE. Well, he said that he would see what influence he could use in order to get the 40-hour week in A. & P. Nothing happened.

Senator MUNDT. Nothing happened. I am a little bit confused. Try and straighten me out as I try to get the picture at A. & P. at the time you were an employee of A. & P. I remember it goes back to the late 1940's. At that time, A. & P. was unorganized entirely, was it?

Mr. REAPE. Yes, sir.

Senator MUNDT. And you tried to organize and subsequently, you believe, got fired because of your organizational activities?

Mr. REAPE. That is correct.

Senator MUNDT. At that time, did A. & P. have a contract with its butchers and meatcutters?

Mr. REAPE. No, sir.

Senator MUNDT. It was unorganized as far as they were concerned, too?

Mr. REAPE. That is correct.

Senator MUNDT. Now will you indicate at what juncture A. & P. made its contract with the butchers and meatcutters?

Mr. REAPE. I am not positive, but I think the first contract between the A. & P. and local 400 was signed in the Bronx division—I mean in the Bronx and Manhattan. That was about 1946 or 1947.

Senator MUNDT. 1946?

Mr. REAPE. I am not positive.

Senator MUNDT. It does not have to be exact. That was after the time you were fired or before?

Mr. REAPE. That was after I was fired.

Senator MUNDT. After you were fired. Then when was it that you established an organization of clerks in A. & P.?

Or did you ever establish one?

Mr. REAPE. Well, yes.

Senator MUNDT. I thought I gathered from your testimony that you had an organization of clerks and you had an organization of butchers and the butchers took over the clerks. I may have gotten that wrong.

Mr. REAPE. First of all, back in 1937, 1938, and 1939, we tried to organize both the clerks and the butchers. Naturally, through 1941 to 1945, because of the war, certain things happened which put us in a position where it was almost impossible to organize at that time because of the changeover in help.

It was after the war that the butchers were successful in organizing.

Senator MUNDT. That would be put into the record as 1946, give or take a few years?

Mr. REAPE. Yes, sir.

Senator MUNDT. Then I am asking you at what time did you get the clerks organized, or did you ever get them organized?

Mr. REAPE. No; we never had a contract with A. & P.

We always had a nucleus of organization in there, rank and file men who kept alive the spark of organization in A. & P.

Senator MUNDT. Even in 1946, then, you had some clerks who belonged to the union, your union, the Clerks' Union?

Mr. REAPE. Yes.

Senator MUNDT. You had an election, and you told us, these figures are not exact, but I wrote them down, and you told us you lost an election. You had 1,000 people who voted for no union at all, and 700, I think, who voted for your union, the clerks' union.

Mr. REAPE. That is correct.

Senator MUNDT. How did the rest of them vote?

Mr. REAPE. Well, there were 1,133 that voted for no union. There were 772 that voted for our local, local 474, and 226 voted for 1500.

Senator MUNDT. What is that, Butchers Union?

Mr. REAPE. No; 1500 of the Retail Clerks, A. F. of L.

Senator MUNDT. What year was this now?

Mr. REAPE. That was in 1952.

Senator MUNDT. Now, what I wanted to ask you about is this: You didn't get anybody voting at all for the Butchers Union at that time?

Mr. REAPE. No, we didn't have a petition for the Butchers Union.

Senator MUNDT. They were not on the ballot?

Mr. REAPE. No, just the clerks.

Senator MUNDT. So you then, to pick up the story, went to the NLRB and filed unfair labor practice charges against the company because of the conduct of the election; was that right?

Mr. REAPE. Yes. We had an election in 1951 which we lost and due to the fact that the company had interfered during the election we filed an unfair labor practice charge, and had another election in 1952, the one I am speaking about.

Senator MUNDT. Let me ask you this question, because I am not an expert in this field, but it would look like you also lost this one.

Mr. REAPE. Yes, we did.

Senator MUNDT. And then you filed another unfair labor practice charge?

Mr. REAPE. No, sir; we did not.

Senator MUNDT. You did not?

Mr. REAPE. No, sir.

Senator MUNDT. The unfair labor practice charge was filed between these two earlier elections?

Mr. REAPE. Yes, sir.

Senator MUNDT. Now, we come into 1953 then, with the company unorganized except insofar as the butchers are concerned.

Mr. REAPE. Yes, sir.

Senator MUNDT. And you having lost the last election, and under the rules you couldn't have another election for a year or 2 years, which is it?

Mr. REAPE. For 1 year. Under the Taft-Hartley law it is not possible to have a second election in any group of people unless a great change has been made within the unit, which might require that an election be held.

Senator MUNDT. I was trying to determine from this letter, which is an exhibit of October 17, that you wrote to the A. & P. Co., whether you are charging them in that letter with some unfair practice because they signed up with the Butchers Union.

You have this sentence in your letter :

As you are undoubtedly aware, this union received the largest number of votes of any of the competing unions on the ballot.

That is true, you got 772 against 226 for your next competitor. It further says:

It would have received a clear majority if it were not for interference by your supervisors.

That is my politician's guess, and that could be true or could not be true but you have a right to say it.

Is there something under the Taft-Hartley law, or something under the law which denies a company the right to sign up with a union after you have held an election and no union has been selected as the bargaining agent? That is my question.

(Witness conferred with his counsel.)

Mr. REAPE. I believe the answer is "No."

Senator MUNDT. It would seem that way to me, and I am trying to get information. But since you held an election and lost, then it is kind of an open field for a company if it wants to, to sign up with some union, and they then signed up with the Butchers Union.

Now, I quite agree that if they went around and told their employees that they would be fired if they did not join the Butchers' Union, that is a horse of a different paint job again. If they went and told them that they would be fired if they joined your union, that also would be improper.

But I wasn't quite sure from your letter whether you were charging them with some improper practice because they signed up with the Butchers' Union after an election which no union had one, because the "No" votes had prevailed.

Mr. REAPE. Senator, I think we had a perfect right to charge them with an improper practice because, No. 1, the Butchers' Union was not on the ballot in the election of 1952. They came into the picture for the first time when the contract was signed, without being designated, as far as I know, by the employees of the A. & P. So therefore we felt that there really was an improper practice.

Senator MUNDT. They did have a contract with the company prior to that, as far as butchers were concerned; is that right?

Mr. REAPE. For the butchers, yes.

Senator MUNDT. Now, it seems to me that your quarrel would be primarily with the Butchers Union, that it went ahead and spread out its wings and included the clerks, which you thought shouldn't be included in the Butchers Union; isn't that right?

Mr. REAPE. Well, not exactly that. That was not our quarrel. Our quarrel was the fact that A. & P., who had always fought unions down through the years, should at that particular time decide that they will pick the union of their own choosing, and not the union that has been chosen by the employees.

Senator MUNDT. Well, of course, really no union had been chosen by the employees, because the majority of them had voted no union at all.

Mr. REAPE. Well, Senator, according to the results of the election in 1952, 1,133 voted no union, while 998 voted for a union.

Senator MUNDT. That is right.

Mr. REAPE. And some for the Retail Clerks and 772 for local 474. I think that in itself proved to A. & P. that the majority of their employees favored a certain union, but A. & P. did not want that union because they knew full well that if 474 represented the clerks in A. & P., it would be mandatory for us to get a 40-hour week from A. & P. in 1952.

Senator MUNDT. Wouldn't it be more accurate to say that a majority of those who favored a union favored your union?

Mr. REAPE. That is correct.

Senator MUNDT. But a majority of the employees voting favored no union at all because there were 1,133 against all unions and 998 in favor of 1 or other of the 2 unions.

Mr. REAPE. While the records show that, it doesn't show the influence that the company had over those employees who voted for no union.

Senator MUNDT. I understand that, and that is why I raised the question whether you then filed with the NLRB an unfair labor practice charge on the basis of the campaign and the election in 1952 and you said you did not file a complaint at that time.

Mr. REAPE. Senator, one reason why we did not file was due to the fact that we felt since 998 employees of A. & P. had designated or voted for a union, we felt that within the period of 1 year, when we could again petition the board for an election, we definitely would win the election, because nothing succeeds like success. When the majority of the employees see that a great many of their members favored a union, or are in favor of having a union to represent them, they would change their mind even though they are influenced or the company tries to influence them otherwise.

Senator MUNDT. So the burden of your testimony then is, as I understand it, on this point, that you are not charging A. & P. with having violated the law in signing a contract with the Butchers' Union, but you are raising the question as to why, when they had previously opposed all unions, they suddenly encouraged their clerks to join the Butchers' Union; is that right?

Mr. REAPE. Well, I felt the company was certainly unfair, and under all of the rules of common decency they authorized their employees into the union that the A. & P. wanted. That was my contention, and my feeling, and it still is.

Senator MUNDT. But you do not charge that is a violation of the law?

Mr. REAPE. I am sorry, I am not an attorney, and I am not qualified to quote the law.

Senator MUNDT. You have by your side what appears to me to be a very astute and able attorney, and you could ask him. I don't know either, and I am trying to find out.

Mr. SHEEHAN. We did file a charge, Senator, the testimony of Mr. Reape indicates, with the National Labor Relations Board, but under the rules of the Board, unless we could produce positive proof to support that charge, there is very little as a matter of ordinary investigative procedure from my experience that I find the Board engages in.

Now, we couldn't establish, as a matter of record, that any card bearing the signatures of employees of A. & P. who signed the cards authorizing the Amalgamated Meat Cutters to bargain for them, with fraudulent or true cards. We couldn't establish that.

We did allege in our complaint that the Amalgamated did not, at the time they signed the contract with A. & P., in fact represent a majority of the employees.

The NLRB sat on that charge for some time, and asked us for proof that they didn't, and I said under those circumstances it was impossible for us to produce that proof.

Senator MUNDT. So in order to establish an illegal practice by the A. & P. on the occasion of their signing up with the Butchers to cover in the clerks, you would have had to have shown 1 or 2 things. One, that the cards were fraudulent or else that there had been collusion of some kind between the officers of the Amalgamated and the people from A. & P.?

Mr. SHEEHAN. That is correct.

Senator MUNDT. I will ask Mr. Sheehan this question, and he is not under oath, and I am just looking for information, but you said subsequently that 30 or 40 percent of the clerks signed petitions to deauthorize the Butchers from representing them; is that right?

Mr. SHEEHAN. On that particular one, again as a matter of law, the Taft-Hartley law provides that any such petition must be accompanied by the signatures of 30 percent of the people within the unit. For the NLRB to have held the election, they must have found administratively that the petition was supported by 30 percent.

Senator MUNDT. When 30 percent signed, then they have to have an election?

Mr. SHEEHAN. That is right.

Senator MUNDT. Counsel pointed out, I believe, in that election you have to get 50 percent not only of those who vote but of those who work or those who belong to the union.

Mr. SHEEHAN. All eligible employees within the unit, yes.

Senator MUNDT. I want to get back to Mr. Reape now. You held that election then, and a majority of about 8 to 1 or 9 to 1 of those who voted, voted to deauthorize, but you lost the election because the majority of the people didn't vote at all.

Now I want you to clarify for me why in your opinion a majority of them didn't vote? You said something about the fact that the company did not make available convenient voting places. Now, isn't an election of that kind run by the NLRB or is it run by the company?

Mr. REAPE. It was run by the NLRB.

Senator MUNDT. Would your complaint more logically be against the NLRB or against the company if they didn't set up places where people could vote?

Mr. REAPE. Well, the NLRB has the practice, to my knowledge, they usually set up polling places based on the requirements of the majority of those participating in the election. However, I might say, as regards those who did not show up at the polling places, local 406, and local 489 posted their business agents and told the employees of the A. & P. who came to the places to vote, they shouldn't vote and they would turn them in, and they would be blackballed and so on.

Senator MUNDT. Those locals you mentioned would be the Butchers Union?

Mr. REAPE. Yes.

Senator MUNDT. You had a conflict, and the butchers were telling the people not to vote, or to vote against it, and your boys were out telling them to get in and vote and vote for deauthorization.

Mr. REAPE. We were telling them to vote for deauthorization.

Senator MUNDT. There would be nothing improper if you did what the butchers did, each trying to promote themselves in that?

Mr. REAPE. I would say that certainly the butchers had the advantage, due to the fact that they had a contract with the A. & P. and due to the fact that the A. & P. management had also advised the employees there was no need for them to vote. Certainly, those employees felt that they were caught in a squeeze between management and the union and if they didn't go along and do what the union wanted, they would be in the doghouse so to speak, and vice versa.

Senator MUNDT. I think that that is right. If your union was at a disadvantage, that may be true, but I am trying to determine whether an additional advantage was improperly created by failure to provide a reasonable opportunity to vote, and if so, who was responsible for that.

Was it A. & P., the Butchers, or the NLRB?

Mr. REAPE. I would say the NLRB. They should have followed past practices.

Senator MUNDT. Why didn't the NLRB do that? What was wrong with them?

Mr. REAPE. Because the majority of those involved in the election, the butchers and the company, did not want them. The NLRB went along with the majority of those.

Senator MUNDT. You mean they had such influence with the NLRB that they could induce the Government not to establish a fair voting procedure? Is that your implication?

Mr. REAPE. There were 2 against 1, and 2 parties had decided that this is the proper procedure to follow, and I believe the NLRB went along with that. I am not blaming the officers of the NLRB, because it is possible that they had gone along with the majority involved in the election.

I might also further state that another disadvantage we were at, and I think it was proved afterward, was that in submitting the list of those eligible, there were several names submitted by the company of employees who were not working for the company at the time, or within the period specified according to the agreement that was reached.

Senator MUNDT. Don't you have changes at an election like you have at a political election?

Mr. REAPE. Well, we were not able to have sufficient supporting evidence in order to prove that such was the case. We did not have any access to the records.

Senator MUNDT. You are entitled to patrol the election to be sure you are not being robbed, aren't you, like you do in a political election?

Mr. REAPE. Well, Senator, this is quite an area to cover all of Manhattan, and Bronx, and Westchester. It was from the Battery all of the way up to Beacon, N. Y.

Senator MUNDT. But you only had four places to vote. Is that right?

Mr. REAPE. Well, the 4 places were 2 in Manhattan and 2 in the Bronx, I believe, and we had roving ballots in the Westchester area.

Senator MUNDT. I was going to ask you about that. You said a traveling polling place. That is something new to me. Will you describe what a traveling polling place is?

Mr. REAPE. A voting agent goes to each store and at a specified time, at which time the employees are previously notified to be present and to vote between the hours of 10 to 10:30 and so on. That is for the number of employees that are to vote in that particular store.

Senator MUNDT. If they had those, that is something I have never known about in a political election. We have trouble getting people to vote there, but we can't take the ballot to the home. Now, if you did that, I don't see how there is too much complaint about making opportunity to vote available.

I can see these other things you talk about, and the employer may have stood at the door and said, "Don't any of you fellows walk out there and vote," but it seems to me the NLRB would go about as far as one can go when you carry the polling place right to the fellow's door.

Mr. REAPE. Well, Senator, we had another experience there also, and we found when we went into certain stores in Westchester, many of the employees refused to vote because they were afraid to vote, since the manager was present in the store. They felt they would be discriminated against. We had to call the NLRB and file a complaint on that point, on that morning, explaining the fact that we felt management was interfering with the employees in those particular stores to the extent that they were not voting and thereby every one of those happened to be a vote against our objective.

(At this point, the following members were present: Senators McClellan, Mundt, and Goldwater.)

Senator MUNDT. That I can understand, the possibility of that. But I can't understand the complaint if the men were given an opportunity to vote. If they had, in addition to four polling places, a traveling ballot that came to the door, it seems to me that they had an opportunity.

I can understand that you were operating at a disadvantage, that the company was against you, encouraging people not to vote. I can well understand that people who are fearful about their job, who might want to do some apple polishing, to get in good with the boss, might elect not to vote. But I don't think it is a criticism against the electoral process or against the NLRB to imply that they did not have a good opportunity as far as the physical arrangements were concerned.

They had four places to go and they had somebody coming right up to the store with the voting machine so that they could vote.

Mr. REAPE. If I might explain, Senator, that happened only in Westchester, what we call a suburb of New York City. However, within the confines of New York City, which is comprised of Manhattan and the Bronx and where 70 to 80 percent of the employees work, there were only 4 polling places. There was no traveling ballot in Manhattan or the Bronx.

There were 4 polling places, 2 in the Bronx and 2 in Manhattan; that was 4, I would say, between 70 and 80 percent of the employees

who were scheduled to vote in that election. The traveling ballot was in the outlying areas, where the stores were possibly 20 miles away from a central location, place, which might be White Plains. For that reason, we felt and did argue that there should be at least 4 voting places in Manhattan and that there should be at least 4 voting places in the Bronx, so as to make it easy for all of those employees to go to those particular polls and vote.

That was our thought.

Senator MUNDT. I am glad you explained that. I thought there were traveling polling places for all voters.

Mr. REAPE. No, sir.

Senator MUNDT. Did you protest this fact to the NLRB prior to the election?

Mr. REAPE. Yes, we did.

Senator MUNDT. What did they say?

Mr. REAPE. Well, again, I must say that they went along with the contention and the arguments offered by the A. & P. Co. and the Butchers Union at the time. Both of them agreed that that was sufficient.

Senator MUNDT. How did these four polling places and the traveling ballots in Westchester County compare with the number of polling places which were opened in 1952 when you had your election to determine who would be the bargaining agency? Were they more or less, and how many?

Mr. REAPE. We did have, to the best of my knowledge, more voting places in 1952 in Manhattan and the Bronx, when we had the election to determine the bargaining unit than we did have when we had the election to determine whether we should have a decertification of the union clause in the contract.

Senator MUNDT. How many more?

Mr. REAPE. I am not positive. I cannot honestly say. I would believe we had possibly 4 in the Bronx and 4 in Manhattan. However, I am not positive. I could not swear to it.

Senator MUNDT. You also had these traveling machines in 1952?

Mr. REAPE. Yes, we did, in the outlying area. I believe we did.

Senator MUNDT. Let me say, Mr. Reape, I want to congratulate you on this fact, at least. We have listened to a lot of complaining witnesses in the last 18 months with grievances, gripes, complaints, protests, charges, and countercharges. But you have been one of the mildest and most reserved—and you have shown attempts to give careful, studied answers—which I have seen.

I congratulate you on your demeanor.

Mr. REAPE. Thank you, Senator.

The CHAIRMAN. Are there any further questions?

As I understand it, and further testimony will develop it, what actually happened is that the Butchers Union and management went into collusion to force those men into the Butchers Union. That is the real fact about it, isn't it?

Mr. REAPE. That was our contention, yes, sir.

The CHAIRMAN. In other words, they were not given a free choice.

Mr. REAPE. Yes, sir.

The CHAIRMAN. That is the improper practice which you complain of.

Mr. REAPE. That is true.

The CHAIRMAN. I understand that the company, the managers and so forth, went around with these men and told these men to either sign the card or some of them might lose their job.

Mr. REAPE. Well, I had heard that.

The CHAIRMAN. I think we will be able to prove it. I think it will be in the record.

Mr. REAPE. Well, I could not swear to that.

The CHAIRMAN. I think there is another circumstance that you may not know about. They paid one man \$3,000 for 2 days' work to count the cards, didn't they?

Do you remember that?

Mr. REAPE. I know the gentleman that counted the cards, but I don't know how much he got paid for the job.

The CHAIRMAN. I think there will be plenty to at least suggest improper practices before we get through with it.

Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, as it is 4:30 we will not be able to hear another witness, probably. But the A. & P. Co. has cooperated with the committee staff as far as turning over and making records available, making witnesses available, when we needed them. They would like to have the opportunity of placing a statement in the record, and to be able to make the statement public at this time as we begin these hearings.

The CHAIRMAN. The Chair has no objection to their making it public. We will receive the statement. But later, when they testify, I want it sworn to before it actually goes into the record.

Mr. DOYLE. My name is Jerome Doyle, counsel for the A. & P. I certainly would welcome you putting Mr. Reynolds who is sitting at my left shoulder under oath right now, identifying the statement, and he will swear to it right here.

The CHAIRMAN. All right. Be sworn.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. REYNOLDS. I do.

TESTIMONY OF ELMER L. REYNOLDS, ACCOMPANIED BY COUNSEL, JEROME DOYLE

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. REYNOLDS. Elmer L. Reynolds. My residence is 9 Prospect Avenue, Summit, N. J. My place of business is 420 Lexington Avenue, New York City. I am president of the eastern division of the Great Atlantic & Pacific Tea Co.

The CHAIRMAN. You have counsel present.

Counsel, identify yourself, please.

Mr. DOYLE. Jerome Doyle. I am a member of the bar of the State of New York and also the District of Columbia. My office is at 65 Wall Street, New York City.

The CHAIRMAN. Mr. Reynolds, you have a prepared statement?

Mr. REYNOLDS. I do.

The CHAIRMAN. Mr. Counsel, was it submitted within the rules?

Mr. KENNEDY. Yes; it was, Mr. Chairman.

The CHAIRMAN. I understand the statement was submitted within the rules. Therefore, it will be received. Do you want to take time to read it this afternoon?

Mr. KENNEDY. I do not think it has to be read now.

The CHAIRMAN. The statement that you now submit to the committee, you testify under oath that the facts and the information stated therein are true and correct?

Mr. REYNOLDS. I do.

The CHAIRMAN. You will be called back for further testimony and such examination as the committee may desire. We are accommodating you this way because when some information goes out here, you want to release your statement, as I understand.

Mr. REYNOLDS. Correct.

The CHAIRMAN. We are accommodating you for the purpose of trying to be absolutely fair and to give you the opportunity to be heard. But you will be interrogated later regarding the statement, and about other matters.

(The statement referred to follows:)

Mr. REYNOLDS. I have been employed by the Great Atlantic & Pacific Tea Co. for more than 40 years. Since 1950 I have been president of the eastern division, which includes 5 units, each of which operates a number of stores under the direction of a vice president of the eastern division. Three of these units are in New York with headquarters in Bronx, Brooklyn, and Garden City; two are in New Jersey with headquarters in Newark and Paterson. For a number of years prior to 1950 I was vice president in charge of the Newark unit.

We have endeavored to cooperate with this committee in every way possible. We have furnished more than 15,000 pages of documents from our files; have made available for interview every single employee whose information could be helpful, ranging from top executives to store personnel; and have several times voluntarily brought facts to the attention of the committee's staff.

The extent of our cooperation is perhaps best demonstrated by the fact that we have voluntarily waived the attorney-client privilege and made available to the committee every document and piece of information pertaining to the matter under investigation.

It is my belief that the record submitted clearly demonstrates that the division's labor relations have been fairly and ethically conducted in strict accord with all State and Federal regulations.

I hope that all the facts will be brought out before this committee. They will show that there was absolutely no collusion between the division and the Amalgamated Meat Cutters Union. On the contrary, we dealt with them at arm's length. We were finally forced by the genuine threat of a costly strike to submit to card counts to resolve the question of union representation of our grocery clerks.

As president of the eastern division I am responsible for the major decisions of the division in all its activities, including labor relations. Thus, although I did not concern myself with day-to-day details, I bore primary responsibility for the decision of the division in 1952 to agree to a card count involving the grocery clerks in the Bronx, Brooklyn, and Garden City units.

This card count was won by locals of the Amalgamated Meat Cutters Union in those 3 units, and we thereafter entered into contracts on October 11, 1952, covering the clerks in those 3 units.

Subsequently after card counts for the grocery and meat clerks in our 2 New Jersey units were won by 2 locals of this union, we entered on December 1, 1952, into contracts with these locals covering the butchers and the clerks in the Paterson and Newark units of the eastern division.

The circumstances surrounding the division's decision in early October 1952 to agree to these card counts did not arise overnight. To properly evaluate the action authorized by me and the division's vice presidents in October 1952 it is necessary to go back a few years.

Butchers in the New York area had for many years been organized as a skilled craft; as a result, many of the butchers were already union members when hired by the division, or later became union members.

Consequently by 1950 the Amalgamated Meat Cutters had won representation rights for meat personnel in the three New York units as a result of elections conducted by the National Labor Relations Board, and contracts were entered into with the appropriate locals of that union.

These meat contracts were to expire in early October 1952. Under these contracts approximately 25 percent of the personnel in the A. & P. stores in the three units were members of the union.

Thereby, the union's agents and representatives had rightful and free access to the stores. Also, for many months prior to the fall of 1952 the union's members working in the stores had easy and informal access to the grocery clerks in all the stores in the three units.

Prior to October 1952 none of the grocery clerks in these units were represented by a union. Several elections had been held in prior years, and in each the grocery clerks had voted against union representation.

These election results were pleasing to the division; they vindicated our feeling, expressed during the preelection campaigns, that our employees did not need a union to protect their interest.

The most recent elections had been in Brooklyn in January 1952 and in the Bronx in March 1952. In none of these grocery clerk elections was the Amalgamated Meat Cutters on the ballot.

Consequently, a new situation faced us in the summer of 1952. At that time preliminary negotiations had been undertaken looking to new contracts for meat personnel to replace those expiring in early October 1952. Sometimes in July I was informed that the Amalgamated Meat Cutters were requesting an opportunity to represent our grocery clerks, based on the union's claim that the union had already persuaded many of our grocery clerks to join the union.

In view of the situation, I called in the vice presidents of not only the Bronx, Brooklyn, and Garden City units, but also the vice presidents of the Newark and Paterson units. A major question that we discussed was whether the union had or could get the support of a majority of the grocery clerks.

The vice presidents had different opinions. Some were optimistic and believed the union would not be able to obtain a majority of the clerks, while others took the position that as a result of the efforts

of the butchers in our stores the union had already been able to, and would continue to be able to, obtain a large number of signed cards.

After this meeting we received estimates of card-signing activity, and while some of our supervisors did not believe it was extensive, others felt a great deal of it was going on.

I was later informed in August that the union no longer merely requested, but actually demanded that the division agree to a card count of union cards signed by the grocery clerks.

The union was asserting confidently that it could produce the signatures of a majority of the clerks and that—and most important of all to us—unless we gave our consent to such a card count, the union would refuse to renew the butchers' contracts in early October and would pull the butchers of the three units involved out on strike.

In view of the seriousness of this development, I again discussed the situation with the vice presidents of the division. All were in agreement that the card-signing campaign was totally different from the previous preelection activities of both the company and the outside unions that had sought to organize our grocery clerks.

In the summer and fall of 1952 there were two major differing factors:

1. The card-signing activity was being quietly conducted by our own butchers while on the job, and we had no way to judge the effectiveness of their work.

2. In view of the union's reiterated threats to strike our stores, we were extremely hesitant to make use of our right to persuade the grocery clerks not to sign these cards.

As to the question of the seriousness of the union's threat to strike the butchers, we had very much in mind the fact that in the three units involved our meat business ran into millions of dollars a week; in the event the butchers struck that business would be lost. Further, we estimated that a good many grocery clerks had joined the union and would join the strike; moreover, we feared that many grocery clerks who had not joined the union would nevertheless honor a picket line of their fellow employees.

Accordingly, we were forced to conclude that the threatened strike would shut down nearly all of our stores in the three units. This would have cost us conservatively a net loss of more than \$700,000 a week.

The union's threats of strike were the principal factors in our minds during the entire period from the summer until early October 1952. Our decision was to wait the matter out and continue negotiations on the meat contracts—all in the hope that the union would abandon its demand for a card count for the grocery clerks.

Indeed, we suggested to the union that a National Labor Relations Board election for the grocery clerks be held as soon as legally possible, which would have been in early 1953—by which time new butcher contracts would have been signed and the strike threat eased.

But this suggestion was flatly refused by the union.

During this same period I was informed that the union had indicated a willingness to enter into 5-year contracts for both butchers and grocery clerks, which would have had the effect of preserving the 45-hour week for that period.

Moreover we recognized that if our grocery clerks were unionized at all, the division would be better off dealing with one union for both butchers and clerks rather than be prey to the constant whipsawing and competitive tactics which two unions in the same store would entail.

Neither of these factors was controlling however. I can state categorically that the division would never have agreed to the card count and the resulting contracts with the union were it not for the threat of a ruinous strike.

The matter came to a head in early October 1952, when the union gave us a final and formal written threat of strike and named a strike deadline. At that point we decided, after weeks of testing the situation, that the strike threat was genuine and we had no choice but to consent to a card count.

In so agreeing we had not lost all hope, for a quick management survey indicated that the card count might be very close. Moreover, the union had agreed that if it lost the card count it would proceed to negotiate the new butcher contracts without recrimination.

I should add that we had received firm advice from our labor counsel that a card count in that situation was perfectly proper.

That counsel was Burton Zorn, Esq., a senior partner of the firm of Proskauer Rose Goetz & Mendelsohn. I have been informed that Mr. Zorn is generally recognized as one of the leading labor lawyers in this country.

It is my understanding that the impartial arbitrator, Mr. Joseph O'Grady, selected by the legal representatives of management and the union to sort out and count valid union membership cards was and is a man of outstanding reputation in labor and civic fields and that when he certified the union had a majority, the eastern division had no choice but to negotiate an immediate contract prior to the deadline already given us.

Our agreement with the union was that if it won the New York card counts, we would agree to a card count for the two New Jersey units. Having lost the card count in New York and feeling further that the union had already signed up the majority of our New Jersey employees, we did not oppose the union's campaign in our New Jersey units.

The union won the New Jersey card count, and on December 1, 1952, we entered into contracts with the locals of the union covering our Newark and Paterson units for both butchers and clerks.

Following the signing of contracts with the Meat Cutters in New York and New Jersey, we recognized that a substantial number of our employees either favored two other unions active in the New York area or were completely antiunion.

This situation was disturbing but we knew it to be inevitable. The same situation would have faced us if any 1 of the 3 unions had won a majority in a National Labor Relations Board election—or if a majority of employees in such an election had voted for "no union." No matter what the result, a sufficient number of employees would have been disturbed to create some unrest. And we did have some unrest.

But it is worth noting that in the fall of 1953 overall settlements of certain National Labor Relations Board charges were effected, the

most important feature of which was that any grocery clerk in four units of the eastern division who did not want to continue his membership in the Meat Cutters Union or did not want to join that union, was given a 30-day period in which to exercise that right.

I have been informed that of more than 7,000 employees involved, less than 175 took advantage of that right.

Moreover, when our first clerks' contract with the union was to expire in 1954, there was another National Labor Relations Board election in the New York units, which election was won by the union.

That election was set aside on a technical ground involving an insignificant number of voters and a new election held in 1955.

In the 1955 election the union won by a sweeping majority, new contracts were entered into with the union and those contracts are still in effect.

No official of this division has any ax to grind on behalf of the union. For more than 5 years the majority of our store employees have consistently voted in its favor and we have bargained with it as a consequence.

The union has given us no special favors; indeed, other officials of the division are prepared to demonstrate to you that no grocery chain in the New York area treats its employees better than this division does.

For instance, let me point out one simple fact about the contracts entered into with the Amalgamated Meat Cutters in the fall of 1952. Under these contracts we gave a \$5 across-the-board weekly increase to our full-time employees who had completed age progression.

This increase was applicable to approximately 88 percent of our male employees and 76 percent of our female employees. In addition, we agreed to bear the full cost of the hospitalization plan which had previously been contributory. Leaving aside all other benefits granted to the employees by these contracts, the result was that between March 1952 and June 1953 the average weekly net wage (including overtime) of full-time employees in the division rose by 8.9 percent—and this at a time when the official cost-of-living index for New York City had risen during that period only 1.6 percent.

In summary let me say that:

1. Were it not for the overhanging threat of an extremely effective strike, the division would not have agreed to the card counts.

2. We were advised by counsel that the card counts were a proper procedure.

3. The arbitrator selected for the card counts had an excellent reputation for integrity and intelligence.

4. When the union won the card counts, we entered into contracts with it—contracts which, we believe, more than matched in their benefits those made by competitors who dealt with other unions, as well as with the Amalgamated Meat Cutters Union.

This division is proud of its relations with its employees.

We are also proud of our aim to make decisions which are not only legal but proper. We are confident that the members of this committee will deem our pride justified when all the facts are put before you.

Mr. DOYLE. Mr. Chairman, before you adjourn for the day, may I say in behalf of the Atlantic & Pacific Tea Co. that we certainly appreciate the courtesy paid us by your permitting us to place in the

record at this point of your hearings Mr. Reynolds' sworn statement.

The CHAIRMAN. All right. Thank you.

Mr. KENNEDY. Mr. Chairman, during the course of some of our other hearings, we have had some difficulty with the attorneys as we have proceeded. I would like to say first, as far as the attorney that appeared with the previous witness, who has as appeared before the committee, Mr. Sheehan, he has always been extremely cooperative in all of our investigations, and also we have had a very fine relationship with Mr. Doyle who is appearing with this witness. We have had some question about attorneys in the past, and where we have had a good relationship I would like to point that out for both of these men, Mr. Doyle and Mr. Sheehan, who preceded this witness.

The CHAIRMAN. It is the policy of the Chair, and I am sure it is acquiesced in by each member of the committee, where those that we are investigating or whose testimony we need, or who have information that we may require and need, where they cooperate with us, I am always glad to be as accommodating as I can be. But with those who obstruct, hinder, and give us a little headache now and then, I am not quite so accommodating.

Mr. DOYLE. May I say, Mr. Chairman, that our feeling and my feeling as a member of the bar equals that of your counsel. His attitude, as far as I am concerned, has been in the best traditions of our profession.

The CHAIRMAN. Thank you. The Chair will make this announcement for the benefit of the press.

It is for the benefit of witnesses as well. Tomorrow, the committee will have to meet in room 457. Thereafter, we think we will have this room for the balance of this week and the rest of the hearings. But tomorrow morning, we will meet in room 457 at 10:30.

The committee stands in recess until that time.

(Whereupon, at 4:38, the committee recessed, to reconvene at 10:30 a. m., May 15, 1958. At this point, the following members were present: Senators McClellan, Mundt, and Goldwater.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, MAY 15, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 1:30 p. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Karl E. Mundt, Republican, South Dakota; Senator Carl T. Curtis, Republican, Nebraska; Senator Frank Church, Democrat, Idaho.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will come to order.

(Members of the committee present at the convening of the session were Senators McClellan, Church, and Curtis.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Eugene Kennedy and Mr. Picariello.

The CHAIRMAN. Do you and each of you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. E. KENNEDY. I do.

Mr. PICARIELLO. I do.

TESTIMONY OF EUGENE KENNEDY AND PATRICK J. PICARIELLO

The CHAIRMAN. Mr. Kennedy, will you state your name, and your place of residence, and business or occupation?

Mr. E. KENNEDY. Eugene Kennedy, 301 East 21st Street, New York City, general manager of the Retail Food Clerks' Union, Local 1500.

The CHAIRMAN. Do you have counsel present?

Mr. E. KENNEDY. Yes, sir, I have.

The CHAIRMAN. Counsel, will you identify yourself, please?

Mr. PICARIELLO. Patrick J. Picariello. My address is 15 Park Row, New York City. I am an attorney for local 1500.

The CHAIRMAN. You may proceed.

Mr. KENNEDY. Mr. Kennedy, how many members do you have in your union, 1,500?

Mr. E. KENNEDY. We have 7,900 full-time and 1,500 part-time workers.

Mr. KENNEDY. Have you been attempting for a number of years, or had you been attempting for a number of years to organize the clerks of the A. & P. stores in New York?

Mr. E. KENNEDY. Yes, sir; I have.

Mr. KENNEDY. How many years have you been attempting to organize them?

Mr. E. KENNEDY. Ever since 1945.

Mr. KENNEDY. Has the main focus of your work centered on the Brooklyn units of the A. & P. stores?

Mr. E. KENNEDY. No; that is not quite true, sir. On the overall picture, it is besides the Brooklyn unit.

Mr. KENNEDY. I didn't say you were working only on Brooklyn, but that was the main focus of your attention.

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Did you have an election on January 9, 1952?

Mr. E. KENNEDY. That I did, sir.

Mr. KENNEDY. And in that election you received 262 votes; is that correct?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And local 474, Paddy Reape's local, received 40 votes; is that right?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And there was 1,106 voted for no union?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. At that time did you appeal the election?

Mr. E. KENNEDY. That we did.

Mr. KENNEDY. And you appealed to the National Labor Relations Board?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. You claimed that an unfair labor practice had been committed by the company?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And the local regional board overruled your objection?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. But you then took the objection directly to the National Labor Relations Board here in Washington; is that right?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. That election was in January, and then there was the other election in March of 1952 that we discussed yesterday, where both your union and Paddy Reape's union were involved?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And you also lost that election?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Now, we go on in 1952. This election on January 9, 1952, in Brooklyn, where you took the appeal to the National Labor Relations Board, did you hear anything about the fact that the Meat Cutters' Union was also attempting to organize the A. & P. Stores during this period of time following that election or later on in the summer and fall of 1952?

Mr. E. KENNEDY. That is correct, sir; I did.

Mr. KENNEDY. What reports did you hear about that?

Mr. E. KENNEDY. I got over 100 telephone calls from my people whom I represented in the Brooklyn unit.

Mr. KENNEDY. When would this be, about?

Mr. E. KENNEDY. I would say in the latter part of September or the early part of October.

Mr. KENNEDY. Had you heard prior to that time that they were attempting to organize the clerks in the stores?

Mr. E. KENNEDY. I heard some rumors but around the latter part of September or the first part of October, that is when I got this number of phone calls.

Mr. KENNEDY. What did the people say in the telephone calls?

Mr. E. KENNEDY. That they were being compelled to sign cards not only by the Butchers Union, but by the supervisors and managers of the A. & P. Co.

Mr. KENNEDY. Did this surprise you, these telephone calls that you received?

Mr. E. KENNEDY. Well, to be honest with you, Mr. Kennedy, nothing surprises me as far as what the A. & P. would do.

Mr. KENNEDY. What had the A. & P. attitude been prior to that time, as far as the union attempting to organize the employees of the A. & P. Co.?

Mr. E. KENNEDY. Very much antiunion.

Mr. KENNEDY. How did they exhibit that?

Mr. E. KENNEDY. By the number of elections that we had, and I think we had four elections, and each one was a rerun and one particular election we had two reruns, and every election——

Mr. KENNEDY. You mean by a rerun you filed an unfair labor practice charge which was sustained?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. So they make them rerun the election?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. What you are saying in fact is that every time you had an election or attempted to organize the employees, that the company was guilty of unfair labor practices?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Could you give us some examples of the type of thing that they would do to your employees?

Mr. E. KENNEDY. In the election of July 1, 1945, the hours at that particular time were 48 hours, and prior to that, a couple of weeks before the election, they reduced the hours to 45 hours, and gave them, the majority of the people, an increase.

Mr. KENNEDY. An increase in salary?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Which was to show that the individual employee was better off with the company than with the union?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. How did they treat the organizers that used to come around into the stores and attempt to get the employees signed up?

Mr. E. KENNEDY. They would always give us a hard time. As a matter of fact, in some cases they called the police.

Mr. KENNEDY. What do you mean by a "hard time?"

Mr. E. KENNEDY. They tried to chase us out of the store, and then when our men wouldn't leave, they would call the police, and, of course, there were no cases presented in court against us but they would ask for the police to come in and our men would have to leave the store.

Mr. KENNEDY. So there had been this antiunion activity from at least 1945 up to 1952?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And so wasn't this a matter of considerable shock and surprise to you when you heard in the first week of October that the management was assisting the representatives of the Meat Cutters to sign the employees up in the union?

Mr. E. KENNEDY. No, sir; that was no surprise, because in the past, in past experience, it had been proven that they would do everything to defeat us.

Mr. KENNEDY. They were bringing a union in, and they were helping and assisting a union?

Mr. E. KENNEDY. Well, whether they liked 1500 or not, that seemed to be the issue.

Mr. KENNEDY. Listen to the question. They were helping or assisting, were they not, another union coming in?

Mr. E. KENNEDY. They were assisting 342.

Mr. KENNEDY. Hadn't they been against unions coming in and organizing their employees?

Mr. E. KENNEDY. Well, my experience has proven that they were, but they reversed the picture in this particular instance.

Mr. KENNEDY. Wasn't that a matter of surprise to you, Mr. Kennedy?

Mr. E. KENNEDY. Well, it was a surprise to a certain extent.

The CHAIRMAN. Can you elaborate?

Mr. E. KENNEDY. Well, when I heard that the company was partial to 342, naturally I expected in any cooperation as far as 342 and the company was concerned, they were going to work together against us, and there was no question about it.

Senator CURTIS. These unfair labor practices, were any of those established by the NLRB, as such?

Mr. E. KENNEDY. Well, my lawyer will be in a position to answer that, Senator. He handled the legal end of it.

Mr. PICARIELLO. All of our charges were substantiated by either the regional board or the national Board at Washington.

Senator CURTIS. Now, this is during the time you were attempting to organize, and prior to this signup with the Meat Cutters?

Mr. PICARIELLO. That is right. In the 1945 proceeding, we had filed charges on 2 separate occasions, and the election was run 3 times. After the first election we filed charges, which charges to which the company consented, and agreed to have the election rerun. After the election was rerun, we had occasion to file charges again, and after hearings at the board the charges were sustained, and the election rerun again. In 1950 we had the same experience, that was the proceeding where we intervened with local 474, and again we filed charges against the company, after the election was conducted, and again our charges were substantiated, and the election rerun.

In 1951 we had the same experience. We had to appeal from the ruling of the regional board to Washington, and in December of 1942 Washington sustained our charges, and the election was rerun in 1953. There was a similar experience in 1954, when again the election had to be rerun because of unfair labor practices by the employer.

Senator CURTIS. Throughout this period that you have told about, these proceedings, you represented Mr. Kennedy's local?

Mr. PICARIELLO. I did, Senator.

Senator CURTIS. So you know about the proceedings first-hand?

Mr. PICARIELLO. Absolutely.

Mr. KENNEDY. About that time, on October 8 when you received these telephone calls, did you write a letter to the company?

Mr. E. KENNEDY. I did, sir.

The CHAIRMAN. I hand you a photostatic copy of the letter dated October 8, 1952, from you to the Great Atlantic & Pacific Co., and ask you to examine it and state if you identify it.

(A document was handed to the witness.)

Mr. E. KENNEDY. That is correct, sir.

The CHAIRMAN. Thank you.

Counsel may read the letter into the record.

Mr. MAY. This letter is directed to the Great Atlantic & Pacific Co., and it reads:

Gentlemen: Information from unimpeachable sources has come to us that notwithstanding the tendency and still undetermined status of the above-entitled representation proceedings initiated by our union as petitioner, your district supervisors have been visiting your supermarkets in geographical area in said petition involved, urging the employees comprising the bargaining unit to join up and affiliate themselves with the Amalgamated Meat Cutters Union of Greater New York, Local No. 342.

This incident and course of conduct symbolizes your company's well-entrenched policy and constitutes but another manifestation of its utter disregard for the provisions of the statutes enacted for the primary purpose of insuring the determination of its use arising in labor-management relations by legal and lawful methods.

That the employees herein involved may choose their own collective bargaining agent free from any interference, coercion, restraint, or threats of reprisals on the part of management, either directly or indirectly as is their right, we urge you to desist from continuing employing these tactics or any others calculated with like intent or design.

Very truly yours,

E. A. KENNEDY, *General Manager.*

The CHAIRMAN. The letter may be printed in the record as it was read.

Mr. KENNEDY. You had information from these telephone calls and from other sources that they were actively assisting the Amalgamated Meat Cutters in attempting to organize the employees, is that right?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. You brought that to their attention in this letter of October 8?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Did you learn subsequently that they had in fact signed a contract with the Amalgamated Meat Cutters?

Mr. E. KENNEDY. I did.

Mr. KENNEDY. When any of the employees of the A. & P. contacted you, had they known that a contract was being signed?

Mr. E. KENNEDY. No, sir, they did not.

Mr. KENNEDY. This was a contract that was signed in secret at that time?

Mr. E. KENNEDY. Yes, sir, it was.

(At this point, the following members were present: Senators McClellan, Church, and Curtis.)

Mr. KENNEDY. Had you known any of the details? Had any of the employees of the A. & P. told you of any of the details regarding the signing of the contract?

Mr. E. KENNEDY. No, sir; I had not.

Mr. KENNEDY. So this was a period of time in which you had an unfair labor charge before the Board here in Washington as far as the representation of these employees, which still had not been decided, and the company signed a contract in secret with the Amalgamated Meat Cutters, is that right?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And you had drawn this to their attention 3 days before—because the contract was signed October 11, you found out subsequently?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. You had brought to their attention some 3 days prior to the fact that you knew of the fact that the management officials of A. & P. were assisting and helping the Amalgamated Meat Cutters to sign up the employees?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. So what action did you take? Maybe Mr. Picariello knows what action was taken.

Mr. PICARIELLO. On November 12, 1952, we filed a charge against the company, asserting they had committed an unfair labor practice by entering into the collective-bargaining agreement with local 342 while a certification proceeding was pending before the Board.

Mr. KENNEDY. Was it your judgment that what the company had done under these circumstances was illegal and improper?

Mr. PICARIELLO. Without a question. We had legal precedent for that. We had the Midwest Piping case, which was decided by the Board in Washington, which called such an act an unfair labor practice.

Mr. KENNEDY. Would that make it an illegal practice?

Mr. PICARIELLO. I believe it would; yes.

Mr. KENNEDY. Therefore, this contract that had been signed with the meatcutters under these circumstances had been an illegal contract?

Mr. PICARIELLO. Yes, sir; in my opinion it was. We petitioned the Board and in our petition requested the regional board at Washington to issue a complaint and to require the Great Atlantic & Pacific Tea Co. to cease and desist from its activities in derogation of its employees in the Brooklyn unit and in violation of the National Labor Relations Act.

Mr. KENNEDY. Did you learn after the contract had been signed that the company management was even more active in signing up the employees?

Mr. PICARIELLO. I believe it was.

Mr. KENNEDY. And was reported to you by certain of the employees that they were threatened with being fired if they did not join the union?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And that happened after the signing of the contract?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Had there been a union contract provision in the contract that had been signed with the Meat Cutters, whereby the employees had to join the union?

Mr. E. KENNEDY. Yes, sir; there was.

Mr. KENNEDY. Had it been brought to your attention that under that provision of the contract, the management was going to the various employees and telling them that they either sign the contract or they would be fired?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And they were around assisting the meatcutters in signing up the employees?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. You brought these charges in November of 1952. On approximately December 20, 1952, did the Board down here in Washington order a new election based on the first election that had been held on January 9, 1952?

Mr. E. KENNEDY. They did, sir.

Mr. KENNEDY. This is an election where you had brought an unfair labor practice charge and had made an appeal to the Board here in Washington?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. It was during the period of this appeal that the A. & P. signed this contract with the meatcutters?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. Then the Board sustained your allegations of unfair labor practices by the company, even on that January 9 election?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And based on the January 9 election, they ordered a new election?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. That was the status, then, by the end of 1952?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Did many of the employees of the A. & P. Co., and particularly the Brooklyn unit, approach you and tell you that they were not in favor of the Amalgamated Meat Cutters?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. So did you decide then that you would hold a new election, that with the help of the National Labor Relations Board you would have a new election in the Brooklyn unit?

Mr. E. KENNEDY. That is correct, sir. Of course, that was in accordance with the decision made down here by the National Board in Washington.

Mr. KENNEDY. By the Board in Washington. In that case, you had to abandon the unfair labor practice charges on the signing of the contract of October 11?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. So you decided under the order of the National Labor Relations Board that you were entitled to a new election, so you decided to have a new election in 1953?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. In that case, they made you abandon the unfair labor practices charges you had made regarding the signing of the contract of October 11?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. So that was the status at the beginning of 1953—that you decided on a new election?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. During this period of time when the order came out from the National Labor Relations Board, did the company then take steps to fire your supporters in the Brooklyn unit?

Mr. E. KENNEDY. That they did, sir.

Mr. KENNEDY. And they fired a number of the leaders for your union in that unit; is that right?

Mr. E. KENNEDY. Yes, sir; that is right.

Mr. KENNEDY. Did you then have an election in 1953?

Mr. E. KENNEDY. Yes, sir; we did, sir.

Mr. KENNEDY. Was that election held on February 19, 1953?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Did your union win that election by overwhelming numbers?

Mr. E. KENNEDY. We got 987 votes and neither got 190. We won it overwhelmingly.

Mr. KENNEDY. Neither union?

Mr. E. KENNEDY. Well, which was the company, or 342.

Mr. KENNEDY. Or nothing. So that you won that almost 8 or 9 to 1; is that correct?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And this was in the same period of time that the company had signed a contract with the meatcutters saying that the Meat Cutters represented this group?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. Yet when a free election was held, you won the election, your union won the election, at a rate of about 9 to 1?

Mr. E. KENNEDY. That is right, sir.

The CHAIRMAN. Were the Meat Cutters on that ballot?

Mr. E. KENNEDY. No, the Meat Cutters wasn't. They had neither. I don't believe 342 was on the ballot. They did not appear on the ballot.

The CHAIRMAN. If they already had a union, and were already under contract, I don't quite understand—maybe you explained it but I did not hear it—how you were able to hold an election.

Mr. PICARIELLO. They could not appear on the ballot because they were not parties to the initial proceeding commenced in 1950 or 1951. They were not parties to the initial proceeding. May I interject this: That 2 days before the election on February 17, the A. & P. mailed a letter to the employees in the election unit suggesting that they vote for neither if they want to support local 342.

The CHAIRMAN. If they wanted what?

Mr. PICARIELLO. If they wanted to support local 342, to vote for neither union.

The CHAIRMAN. What I am trying to find out is, Was the issue really drawn in this election between the meatcutters and the clerks union?

Mr. PICARIELLO. There was no issue drawn between the Meat Cutters and the Clerks Union. The only issue in this election was the Clerks Union and the A. & P.

The CHAIRMAN. I understand, but indirectly—

Mr. PICARIELLO. Indirectly.

The CHAIRMAN. They were not on the ballot; the Meat Cutters Union was not on the ballot.

Mr. PICARIELLO. That is right.

The CHAIRMAN. They had a choice, as I understand it, to vote either for the Clerks Union or no union.

Mr. PICARIELLO. Or no union; yes, sir.

The CHAIRMAN. Although they were already, possibly without their knowledge and consent, under contract with the Meat Cutters Union.

Mr. PICARIELLO. Yes, sir.

The CHAIRMAN. So the strategy was, in that election, if they wanted to continue to have the Meat Cutters Union represent them, they should vote for no union?

Mr. PICARIELLO. No union; yes, Senator.

The CHAIRMAN. Was that made clear to the men?

Mr. PICARIELLO. By letter mailed by the company to the clerks in the Brooklyn union.

The CHAIRMAN. The company wrote a letter?

Mr. PICARIELLO. Yes, Senator.

The CHAIRMAN. Clearly defining this situation?

Mr. PICARIELLO. Yes, sir. I think I have the letter here, or a copy of it.

The CHAIRMAN. I would like to see it. In other words, what I am trying to determine is this: You have an election here that you won by 8 to 1, I believe, or something. What I am trying to determine is whether the issue was clearly drawn, whether they were really able, in that election, to assert a choice.

Mr. PICARIELLO. I have a photostat of the letter here, Senator.

The CHAIRMAN. That is all I would need. You know this to be a photostat of the letter?

Mr. PICARIELLO. I had the photostat made, Senator. I don't have the original. That is a photostat.

The CHAIRMAN. I say you can verify this as the photostat of the letter to which you refer.

Mr. PICARIELLO. Yes, Mr. Chairman.

The CHAIRMAN. Mr. Kennedy, you may proceed.

Mr. KENNEDY. The election results were in fact a repudiation of the policy of the company and of the Meat Cutters, was it not?

Mr. E. KENNEDY. That is right, sir.

Mr. KENNEDY. And it was a repudiation of the company signing the contract with the Meat Cutters?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. During this period of time, the company had indicated to the employees actively that they had better join the Meat Cutters?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And by having this election and going in and voting for your union, this was a repudiation of what the company had been attempting to do?

Mr. E. KENNEDY. That is right, sir.

Mr. KENNEDY. And it was a repudiation of the company's contract with the Meat Cutters, was it not?

Mr. E. KENNEDY. That is right, sir.

Mr. KENNEDY. This election was held under the supervision or auspices of the National Labor Relations Board?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. After you won the election, did you take some steps to have yourselves certified by the National Labor Relations Board as the bargaining unit, the bargaining agent for this unit?

Mr. E. KENNEDY. Yes, sir; we did.

Mr. KENNEDY. Did you write a letter to the company? That is on March 2, 1953, that the National Labor Relations Board certified your union, local 1500, as the bargaining agent representative of the Brooklyn unit; isn't that right?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. That was March 2, 1953?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Did you get in touch with the company and attempt to discuss a contract with them?

Mr. E. KENNEDY. Well, we wrote to the company stating that we wished to sit down with them with reference to negotiating a contract.

Mr. KENNEDY. What was that date?

Mr. E. KENNEDY. March 4.

Mr. KENNEDY. So the situation at that time, as of March 4, was you had been designated as the bargaining agent by the National Labor Relations Board to bargain for the Brooklyn employees, and the A. & P. Co. had a contract covering those employees with the Amalgamated Meat Cutters?

Mr. E. KENNEDY. That is right, sir.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. So you wrote to the A. & P. Co. under the instructions of the National Labor Relations Board, pointing out that you had been designated as the bargaining agent, and requesting to sit down and discuss terms of the contract?

Mr. E. KENNEDY. That is right, sir.

Mr. KENNEDY. Did you receive an answer on March 9, 1953?

Mr. E. KENNEDY. That we did, sir.

Mr. KENNEDY. From whom was that answer?

Mr. E. KENNEDY. I believe it was answered by Mr. Burt Zorn, the attorney.

Mr. KENNEDY. He was the attorney for the A. & P. Co. at that time?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. Did they tell you at that time that they would sit down and bargain with you in good faith?

Mr. E. KENNEDY. They refused to bargain with us.

Mr. KENNEDY. They refused to bargain with you, and this was just after you won the election?

Mr. E. KENNEDY. That is correct.

Senator CHURCH. I have a copy here of a letter under date of March 9, 1953, signed by Burton A. Zorn. Will you identify this for the committee, please, for purposes of its inclusion in the record?

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Senator CHURCH. That is the letter to which you have just referred in your testimony?

Mr. E. KENNEDY. That is the letter, sir. Yes, sir.

Senator CHURCH. That letter will be made exhibit No. 1.

(The document referred to was marked "Exhibit No. 1" for reference and will be found in the appendix on p. 11547.)

Mr. KENNEDY. In it, Mr. Zorn, representing the company, stated they would not bargain with your union?

Mr. E. KENNEDY. That is correct.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. Could I read it into the record?

The CHAIRMAN. Surely.

Mr. KENNEDY. "March 9, 1953, Retail Clerks Union, Local 1500, attention, Mr. Eugene Kennedy."

Mr. MAY. It reads as follows:

GENTLEMEN: Your letter and enclosures dated March 5, 1953, requesting a meeting with the company for the purpose of discussing terms and conditions of a collective-bargaining agreement has been referred to us. We must advise you that the certification of local 1500 as bargaining agent for the employees described therein by the order of the Board dated March 2, 1953, is illegal and without force and effect. The National Labor Relations Board acted outside the scope of its authority in issuing said certification, and the company intends to test the legality of said order before the National Labor Relations Board in the Federal courts if necessary.

On behalf of the company, we must inform you that it cannot now recognize local 1500 as the appropriate bargaining agent and, therefore, it must decline to meet with your committee.

Very truly yours,

BURTON A. ZORN.

The CHAIRMAN. The Chair has examined the letter referred to by the witness, the letter of February 17, 1953, which the company issued under the name of its vice president—what is his name?

Mr. E. KENNEDY. Mr. Charleton, I think, of the Brooklyn unit.

The CHAIRMAN. With respect to the pending election, directing or suggesting to their employees, if they wanted to remain under local 342, the Meat Cutters' local, that they should vote "Neither" on the ballot.

That letter has already been identified. It may be printed in the record at this point. I have shown it to other members of the committee. It will not be necessary to read it. It may be printed in the record at this point.

THE GREAT ATLANTIC & PACIFIC TEA CO.,
EASTERN DIVISION,
Brooklyn, N. Y., February 17, 1953.

To all Employees: Grocery, Produce, and Dairy Departments:

On Thursday, February 19, you will vote to indicate whether you wish to be represented by "Local 1500," A. F. of L., "Local 474," CIO, or "Neither." Local 342, A. F. of L., will not be named on the ballot. If you want to support Local 342, A. F. of L., you should mark the ballot in the box designated "Neither."

In determining how your vote should be cast, I feel that you should be fully informed as to how the present contract came about, because of accusations by both locals 1500 and 474.

Consequently, you should know that Local 342, A. F. of L., after conducting an organizing campaign during which they obtained signatures of a substantial majority of our employees, demanded a contract. The signed cards authorized Local 342, A. F. of L., to bargain for you and to negotiate a contract that would govern your working conditions.

Under the law, where a majority of a group sign applications, no election is required.

After insisting on verification of signatures claimed by Local 342, A. F. of L., and having them certified by an outstanding public arbitrator, Hon. Joseph E.

O'Grady, we saw no alternative, and signed a contract which we felt was not only fair and equitable but far superior to any other grocery contract in the metropolitan area.

Sincerely yours,

F. W. CHARLTON,
Vice President.

Senator CURTIS. Who determines the form of a ballot for such an election?

Mr. E. KENNEDY. The Board.

Senator CURTIS. The Board did?

Mr. E. KENNEDY. Yes, sir.

Senator CURTIS. How can you have an election without having all of the names of the candidates?

Mr. PICARIELLO. May I answer that, Senator?

Senator CURTIS. Yes.

Mr. PICARIELLO. Because these proceedings were commenced on October 11, 1951, at which time the Amalgamated Meat Cutters Local 342 had no interest at all in these people.

Senator CURTIS. When was the election held?

Mr. PICARIELLO. The first election was held on January 9, 1952, but 8 months before the contract was signed, at which time the Amalgamated still showed no interest in these people.

Senator CURTIS. But this letter which was introduced here was written after the contract was signed.

Mr. PICARIELLO. The letter was written directly before the second election, 2 days before the second election.

Senator CURTIS. Why weren't all the unions concerned listed on the ballot in the second election? I am not condemning or condoning what any of the parties may have done here, but I am thinking of the right of a worker to express a choice without having to accept explanations from management or anybody else.

Mr. PICARIELLO. Well, it may very well be that the Butcher local never applied for permission to be put on the ballot.

Mr. KENNEDY. Maybe I could help.

Senator CURTIS. Certainly, the Board knew it.

Mr. KENNEDY. Sure; the Board knew it. Of course, the Board knew it.

Senator CURTIS. It seems to me that, in so many of these situations, the rights of the workers are totally ignored. It is a battle between union leadership and management. I think that they should have the right to express every alternative that is theirs through the ballot and not have to rely upon—well, maybe the election would come out the same way, but I am talking about the practice as an abstract principle.

Mr. KENNEDY. Senator, all I could say is this, that, not being parties to the original proceeding, the Amalgamated had no right at all to intervene and be put on the ballot. We have certain rules and regulations, promulgated by the Board, which state that a union, in order to intervene, must file its intervention within a certain number of days after the petition is filed.

There was no such petition filed for intervention on behalf of the Amalgamated Butcher local.

Senator CURTIS. But, rightly or wrongly, they were the bargaining agent and had a contract, an alleged contract, and, if that had been

fraudulently obtained against the wishes of the workers, it would be a good chance to test that. I still can't condone the action of the Board in not providing a form of a ballot that workers could understand their different choices without having to take explanation from anybody.

Mr. KENNEDY. Senator, I believe the election that was run at that time, on February 19, 1953, was a rerun of the election of January 9, 1952. The parties and participants that were on the ballot on January 9, 1952, were on the ballot on February 19, 1953.

What the Board ordered was a rerun of the election of January 9, 1952. At that time, the Amalgamated Meat Cutters were never on the scene. The company and the Amalgamated Meat Cutters made an agreement or a contract in between, unbeknownst to anybody, but that did not give the Amalgamated Meat Cutters the right to be in on the election of January 9, 1952, when they were not around.

Senator CURTIS. May I see a copy of the ballot?

Mr. PICARIELLO. I am trying to locate one.

Senator CURTIS. If there is a political election and the name of one candidate, and a box to vote for "neither," I don't know what "neither" would mean.

(The witness conferred with is counsel.)

The CHAIRMAN. Can we proceed?

Go ahead, Senator.

Senator CURTIS. For clarifying the record, I have before me here what appears to be a sample ballot.

It says "mark an X in the square of your choice."

The first column is Retail Food Clerks Union, Local 1500, A. F. of L.

That is your union, is it?

Mr. E. KENNEDY. Yes, sir.

Senator CURTIS. Then what union is Local 474, CIO, RWDSU?

Mr. E. KENNEDY. That was formerly Mr. Reape's union when he was with the CIO. He is now with the Amalgamated Meat Cutters.

Senator CURTIS. What was that then?

Mr. E. KENNEDY. CIO. Retail, Wholesale, Department Store Workers, something like that, CIO.

Senator CURTIS. In other words, it was a comparable union to yours, only yours was an A. F. of L., and this was CIO, before the merger?

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. Were they parties to the previous election?

Mr. E. KENNEDY. Yes, sir.

Senator CURTIS. Well, now, I would like to ask the attorney this question: Would the board have had legal right to order a ballot that would have set forth the name of all of the unions involved at the time the second election was held?

Mr. PICARIELLO. I don't think so, Senator. These was legal precedent which states that the only parties to a rerun election shall be those parties on the original ballot of the original election.

Senator CURTIS. What ruling is that?

Mr. PICARIELLO. I don't have the ruling offhand, but I am quite sure there is one.

Senator CURTIS. Did that ruling take into account where in the intervening time it was alleged that a third union had gained representation by signing cards and had executed a contract?

Mr. PICARIELLO. This was a peculiar situation, Senator.

Senator CURTIS. I don't say the contract was all right, or binding, and I don't know. But what I am questioning is the procedure that ends up where a worker has to rely on an interested party's explanation of how he should cast his ballot. I think that he should have a clear-cut choice that he can understand.

Mr. PICARIELLO. Well, I don't know. I don't believe the board had the right under these peculiar circumstances to include on the ballot local 342.

Senator CURTIS. Let us suppose that their contract had been a good one, and let us suppose that they had received the cards or had received membership cards from substantially all of the members.

You would still contend that they wouldn't have a right to be represented on the ballot?

Mr. PICARIELLO. I can't conceive how such a contract could be a good and valid contract, if it was executed during the pendency of a certification proceeding at the Board. That is an impossible state of facts, in my opinion.

It could not be a valid contract because the contract when it was executed at the time the certification proceeding was pending before the Board, and under the policy or theory of the Midwest Piping Co. case, such a contract is illegal and has no force and no effect.

Senator CURTIS. Who won the first election?

Mr. PICARIELLO. The company did, by a vote of 1,100 to 262.

Senator CHURCH. What was the the date?

Senator CURTIS. Why was it rerun?

Mr. PICARIELLO. It was rerun because the company had increased the wages of the grocery clerks working in adjacent counties by \$3 a week.

Mr. E. KENNEDY. In other words, the Bronx unit, and the Garden City unit and the Brooklyn unit. Why the election was rerun in the Brooklyn unit, was because of the company giving increases to their employees employed in the Garden City unit and the Bronx unit.

Mr. PICARIELLO. May I explain that, Senator? On December 13, 1951, about 3 weeks before the election was scheduled, the company wrote a letter signed by its vice president to the employees in the Brooklyn unit, who are the employees who were supposed to vote 3 weeks hence, stating to them that they had increased the salaries of all of the clerks in the grocery departments in the Bronx, and Garden City units by \$3 per week.

They intimated, I assume, and this is just my conjecture, that the employees in the Brooklyn unit might have received the same \$3 had it not been for these proceedings pending at the Board.

Senator CURTIS. I am not defending what anybody has done, but I am concerned about these people that appear to be innocent bystanders, the workers there. They ought to be able to understand their ballot without having the management tell them what it meant.

The CHAIRMAN. May I see if we can't straighten this out. In January of 1952, you had an election. At that time there was local

1500 and local 474 on the ballot. One was AFL, and the other was CIO.

I assume in that election they had a chance to vote "neither," and that is vote for no union.

Mr. PICARIELLO. That is right.

The CHAIRMAN. The results of that elections were that the votes for "neither" or no union, was about 1,100 votes. You received in your union 262, and the other union, local 474, recieved 40 votes.

Mr. PICARIELLO. Yes, sir.

The CHAIRMAN. On the basis of that election, because of an alleged improper practice on the part of the company, you appealed to the Labor Board?

Mr. PICARIELLO. We did.

The CHAIRMAN. And the Labor Board finally sustained the charges, that the company had been guilty of unfair practices?

Mr. PICARIELLO. Not the regional board, but the Board at Washington.

The CHAIRMAN. Well, I don't care, whatever board it was. Therefore, they held the election invalid, the election in which the company won, and ordered a reelection or that it be run over?

Mr. PICARIELLO. Yes, sir.

The CHAIRMAN. Therefore, at that time, local 342 at the time of the original election was not in the picture at all. It is just like appealing the case to the Supreme Court and the Supreme Court reverses it, and regardless of what may have intervened as between outside parties during the time.

Mr. PICARIELLO. That is what I am trying to indicate.

The CHAIRMAN. They had no jurisdiction over 342, and it wasn't a party to the proceedings, and so it simply ordered another election between the three parties, the company and the two clerks' unions, and just ordered it to be run over.

Mr. PICARIELLO. That is right.

The CHAIRMAN. When it was run over, then as between your local 1500, and local 474 and "neither," your union won 6 or 8 to 1, or something like that, is that correct?

Mr. E. KENNEDY. Yes, sir.

The CHAIRMAN. Is that a correct summary of it?

Mr. PICARIELLO. It certainly is.

Senator CHURCH. Just to complete that picture, before the rerun election, the company had entered into an arrangement with the Amalgamated Meat Cutters?

Mr. PICARIELLO. That is right.

Senator CHURCH. And just prior to the election, on a ballot that conformed with the direction of the Board, the company advised all of its employees that if they wanted to vote for your union it would be on the ballot, and if they wanted to vote for the CIO union it would be on the ballot, but if they wanted to approve of the arrangement that had been entered into between the company and the Amalgamated Meat Cutters, then they should indicate that choice by voting "neither."

Mr. PICARIELLO. That is very correct.

Senator CHURCH. The issue was very clear at the time that they went to vote?

Mr. PICARIELLO. That is right.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Now, we are up to March 9, 1953, when you received a letter from Mr. Zorn, in which he stated that the company would not bargain.

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. During this period of time where the company was making efforts to get the employees of the Brooklyn unit to join the union and pay dues—

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. This was even after you won the election?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Did the people that had supported your union, local 1500, a number of them, refuse to pay dues?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Did the company indicate to them that they would be fired in view of their attitude?

Mr. E. KENNEDY. That is right.

Mr. KENNEDY. Did a number of them bring charges before the National Labor Relations Board regarding being forced into or to pay dues into the Amalgamated Meat Cutters?

Mr. PICARIELLO. May I interject this, Mr. Kennedy, that a number of these affidavits were submitted to the Board to support charges which the union had preferred against both the union and the employer.

Mr. KENNEDY. Did a large number of them sign a petition stating that they were being forced to pay dues into the Meat Cutters?

Mr. PICARIELLO. Quite a number did, yes, sir.

Mr. KENNEDY. How many, do you have the figure there?

Mr. E. KENNEDY. I would say there was over 100.

Mr. KENNEDY. I am talking about the employees who signed a petition to the National Labor Relations Board, saying they were being coerced into paying dues. Weren't there some 960 of those people, those signatures? You don't remember that?

Mr. E. KENNEDY. I don't remember offhand.

Mr. KENNEDY. You don't remember these?

Mr. E. KENNEDY. I don't remember that one offhand, Mr. Kennedy.

Mr. KENNEDY. On March 20, 1953, you brought charges before the National Labor Relations Board, and had as your support some 960 signatures of individuals who stated that they were being coerced into paying dues into the Amalgamated Meat Cutters.

Mr. PICARIELLO. We brought the charges, and I have a notation on my file, but I didn't know the exact number of names on these supporting petitions.

The CHAIRMAN. You did have names from the workers supporting the petition. The number that you secured, you do not remember?

Mr. PICARIELLO. That is right.

Mr. KENNEDY. The records show there were some 960 different individuals who signed these petitions which would indicate that you had great support for your position at that time, is that right?

Mr. E. KENNEDY. Now that you refresh my memory, I remember the delegates bringing it in, that is correct.

Mr. KENNEDY. As the company refused to bargain with you, and sit down and discuss a contract, was there then discussion among the employees of the Brooklyn unit that you would have a strike?

Mr. E. KENNEDY. Yes, sir, there was.

Mr. KENNEDY. And you had a meeting at that time?

Mr. E. KENNEDY. Well, they started to lay off a lot of people, and I think approximately 80 people or more were laid off by the company, or else being transferred from one store to another. In other words, a store that we say was solidly for local 1500, the company method in conjunction with 342 was to transfer a lot of those men out of that particular store into other stores, to break up that strength that we had in those various stores, besides dismissing a lot of the employees.

Mr. KENNEDY. So the employees of the A. & P. Co., in the Brooklyn unit, were concerned?

Mr. E. KENNEDY. Very much so.

Mr. KENNEDY. Did they decide to call a strike?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. And a strike was called?

Mr. E. KENNEDY. That was called on April 8 at a meeting of the A. & P. employees of the Brooklyn unit.

Mr. KENNEDY. Was it successful insofar as the employees in the clerks' division walking out of the stores?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Did they walk out almost 100 percent?

Mr. E. KENNEDY. We had 1,400, I believe, out of 1,455, and it was practically 100 percent.

Mr. KENNEDY. This was again over the opposition of the company and over the opposition of the Amalgamated Meat Cutters Union?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Which would be against the strike?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. The butchers stayed in the stores?

Mr. E. KENNEDY. That is correct.

The CHAIRMAN. Did that many walk out in a strike, in protest to the company's refusal to bargain with 1500 after the election?

Mr. E. KENNEDY. That is correct, Senator.

Mr. KENNEDY. How long did you remain out on strike?

Mr. E. KENNEDY. Ten days, sir.

Mr. KENNEDY. Will you tell the committee briefly the situation that brought you back into the stores, and ending the strike?

Mr. E. KENNEDY. I had a meeting with employees on April 8, 1953, and at that time the employees voted to give the union the authority to have a strike. I called the strike on April 16, 1953. The day before Mr. French Ratcliffe met me in the Papus Restaurant at 10 o'clock.

Mr. KENNEDY. That is Mr. Radcliffe from the A. & P. Co.?

Mr. E. KENNEDY. Yes, sir; from the A. & P., requesting that I forget about the strike for the time being, and I told him that we had given the company ample time to straighten out the situation, and the men had voted for a strike, and in fact were being laid off and transferred, and being misused and therefore the strike would go on the following morning. That was April 16.

On April 23, which was a Friday, I received a phone call from Marty Lacey, head of the Teamsters Council, who is now since been deceased, and he called me down to his office. At the office I met Mr. Tom Hickey, of local 607, who had the Teamster contract with the

A. & P., and I met Johnny Strong who is president of that particular company, and I met Max Block, and I met Mr. Lacey at that time.

Mr. Lacey at that time asked me what I was trying to do, and I said my people had won an election and was certified by the National Labor Relations Board, and I wanted a contract and the company refused to negotiate with us, and therefore I had no alternative due to the employees' wishes that a strike was called. I was never in favor of a strike. But because of the facts of the delay of the company and also the Board, I had no alternative because we had notified the Board prior to the strike that the people were being laid off and being kicked around by the company, and the Board did not seem to take any definite steps to correct that situation.

I know the A. & P. is a big company, and I certainly don't like to put people out on the street because I recognize my responsibility to the people, but, after all, where I won an election fairly and squarely in the law, I felt that I should get some consideration from the law-abiding people and also from the labor movement.

That was on a Friday when I spoke to these gentlemen. They asked me what I wanted and I told them I wanted a contract for my people. Max Block said that he would go back and talk to the A. & P. and see what could be done about it. The following day which was a Saturday, which was April 24, the same parties met again in the same office, and we worked out an agreement whereby the people would go back to work, and the people who were laid off would go back to work, and we would service the contract with 342, the contract would remain in force, until the termination of the contract, but during the interim that Max Block would sit down with me and at the end of the termination of the contract that the people would be turned over to local 1500.

Mr. KENNEDY. Now, so that I can understand—

Mr. E. KENNEDY. In conjunction with that we were to service the complaints, the grievances, and with that thought in mind I said I would take everything back to the members.

(At this point the following members were present: Senators McClellan, Church, and Curtis.)

Mr. KENNEDY. This was an agreement that was brought about in the office of the Teamsters; is that right?

Mr. E. KENNEDY. The Teamsters' counsel, Marty Lacey's office; yes, sir.

Mr. KENNEDY. They would have a very important role or determination as to whether the strike was a success or not?

Mr. E. KENNEDY. Well, 807, of course, because they were the Teamsters connected with the A. & P. deliveries.

Mr. KENNEDY. And upon their urging and upon the urging of Mr. Block and ultimately the agreement of Mr. Block, you agreed at that time that the contract that the Meatcutters had signed with the A. & P. would remain in existence?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. Until its termination?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. At that time, Mr. Block stated he would turn over the employees to you, to local 1500, after the 2-year contract was finished?

Mr. E. KENNEDY. That is correct, on the Brooklyn unit.

Mr. KENNEDY. That would be 1954, then, October?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. You would then receive those employees?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Or they would all become members of 1500?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. The company was not represented at this meeting, but Mr. Block had gone back and had said that he had had discussions with the company and they had agreed to it?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Mr. Block was representing the company, at least according to what he stated?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And at that time, you said you would take that back to your membership?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Was there a hard and fast agreement that they would in fact turn over the employees of the A. & P. Co., the Brooklyn company, to you in 1954?

Mr. E. KENNEDY. As far as the stipulation was concerned. It is not conclusive, but it was discussed, the same as I stated before, that we would sit in on the conferences with reference to grievances, we would collect the dues for 342 and turn them over to 342 every month, which we did.

Mr. KENNEDY. What you say is that you signed an agreement, but you didn't include the fact that they were to turn over the employees after 2 years?

Mr. E. KENNEDY. Well, it was to the effect that we would discuss it during the interim.

Mr. KENNEDY. If you had actually agreed to it, why didn't you write that into the stipulation?

Mr. E. KENNEDY. Well, it should have been written in as far as that is concerned, because that was the definite arrangement that was made.

Mr. KENNEDY. Well, you didn't write it in?

Mr. E. KENNEDY. No, sir, we didn't.

Mr. KENNEDY. We will follow along as to what occurred. But you took this to the membership. Did they approve of it or disapprove?

Mr. E. KENNEDY. Well, it took us about 3 hours to finally have the people decide to go back. As I stated before, I told them that we would sit on all the grievances. I explained to them that at the end of their contract, the people would become members of local 1500, they would pay dues to local 1500 during the term of the contract and we, in turn, would turn it over to 342. We did get grievances. We sent them over to 342 with a registered receipt requested.

Mr. Cody, president of our union, attended one meeting with Billy Casale, who is secretary of 342, with Mr. Lon Heddy, who represented the A. & P. in the Brooklyn unit.

Mr. KENNEDY. You don't have to go into all of that.

Mr. E. KENNEDY. That was with reference to the complaints. It just seemed to be that the A. & P. and 342 went through the movements.

Mr. KENNEDY. Even after this agreement, the people from the A. & P. store in the Brooklyn unit all went back to work, and this agreement was supposed to come into effect.

Did the company then continue to support the Meat Cutters rather than yourselves?

Mr. E. KENNEDY. That they did, sir.

Mr. KENNEDY. Then did you speak to Mr. Block about living up to the agreement that he had made?

Mr. E. KENNEDY. I spoke to him several times.

Mr. KENNEDY. Did he indicate that he was going to live up to the agreement or not?

Mr. E. KENNEDY. That he did, sir.

Mr. KENNEDY. Did he then turn over the employes in October of 1954 to your union?

Mr. E. KENNEDY. No, sir; he did not.

Mr. KENNEDY. Did he subsequently indicate that he was not going to turn them over?

Mr. E. KENNEDY. I met with Mr. Block and Mr. French Ratcliff in the Black Angus Restaurant in reference to these complaints and how we would proceed to handle these complaints, so the company was very well informed as far as the procedure that was to be in effect. I also had Mr. Picariello, my attorney, and Stephen Vladeck, who was an associate of Mr. Picariello, meet with Burt Zorn, the attorney for the company, and Arnold Cohen, the attorney for 342, in Max's restaurant, the Black Angus. I think Mr. Picariello can tell you the details of that with reference to consummating this deal of turning the people over at the end of the contract time.

Mr. KENNEDY. What it amounted to was that he indicated he was not going to turn them over; did he not?

Mr. E. KENNEDY. Well, finally, on November 13, when these two lawyers of mine which I just mentioned met with Mr. Block in his office and Arnold Cohen—

Mr. KENNEDY. What year was this?

Mr. E. KENNEDY. 1953, November 13. Then I could see that Max was not going to live up to his promise and that is when I started to lay my organizational program for the next election.

Mr. KENNEDY. Did you also try to get an intermediary, an individual who was close to Max Block, to try to get him to live up to his agreement?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. Who did you contact?

Mr. E. KENNEDY. I did not contact anybody. Mr. Lawrence Brescia, and my brother-in-law is his uncle, he called me, and he stated "I understand you are having a problem with Max Block and the A. & P."

Mr. KENNEDY. Who is Lawrence Brescia?

Mr. E. KENNEDY. Who is he?

Mr. KENNEDY. Yes.

Mr. E. KENNEDY. My brother-in-law is his uncle.

Mr. KENNEDY. Other than that, is there any other identification you can give us?

Mr. E. KENNEDY. As far as I know, no, sir.

Mr. KENNEDY. He spent a good deal of time in the penitentiary, has he not?

Mr. E. KENNEDY. According to the newspapers, yes, sir.

Mr. KENNEDY. He is known as Chappie Brescia?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. And he went to jail. Is he in jail now? Well, I guess he is out.

Mr. E. KENNEDY. I don't know, sir. I never see the gentleman.

Mr. KENNEDY. He has gone for extortion several times, has he not?

Mr. E. KENNEDY. I don't know, sir.

Mr. KENNEDY. You did not know his background?

Mr. E. KENNEDY. No, sir, I did not.

Mr. KENNEDY. Did he come to you then?

Mr. E. KENNEDY. He met with me and Max Block.

Mr. KENNEDY. How was it arranged that he got involved in this?

Mr. E. KENNEDY. He most likely saw it in the newspapers, I presume. I could not say how he got it.

Mr. KENNEDY. Did he come to you and say he might be able to make an arrangement?

Mr. E. KENNEDY. He called me on the phone and said "I understand you are having trouble with Max Block and the A. & P.," and I said "That is right."

He said "Maybe you would like for me to help you out" and I said, "That would be fine. I hope you can."

Mr. KENNEDY. Did you have a meeting?

Mr. E. KENNEDY. That is right, with Max Block, in Luchow's Restaurant.

Mr. KENNEDY. Was he able to arrange anything?

Mr. E. KENNEDY. At that time, Max told him he was going to turn the people over.

Mr. KENNEDY. Had he been a friend of Max for a long time?

Mr. E. KENNEDY. That I wouldn't know, sir.

Mr. KENNEDY. You don't know what the relationship is?

Mr. E. KENNEDY. No, sir, I don't.

Mr. KENNEDY. Ultimately he did not turn them over?

Mr. E. KENNEDY. No, sir, that is right.

Mr. KENNEDY. Did you make arrangements to hold another election?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. Did you make arrangements to hold it just in the Brooklyn unit?

Mr. E. KENNEDY. No, sir, we did not. We were all set to take either unit separately. We had our petitions all set.

Or we would take it just as an overall group.

Mr. KENNEDY. Why didn't you take it in the Brooklyn unit since you had been successful there?

Mr. E. KENNEDY. For the simple reason the Butchers Union wanted the overall picture, No. 1. No. 2, we felt that the contract would be a bar. No. 3, the company wanted to have the overall picture. Therefore, in order to avoid a lot of litigation, a lot of postponements of hearings and everything else, and the company could have used the propaganda, plus 342, that we were holding up increases in different projects, and improvements and conditions for the worker, we knew that if that went into the picture, I would not have gotten practically any votes.

Mr. KENNEDY. So you got talked into having it for the whole—

Mr. E. KENNEDY. We did not get talked into it. I think we felt we would use better judgment that way, because with this litigation and the way things have been going in the past, it would be a couple of years before an election would be held, and the propaganda that the company and 342 would have used against us, we would not have gotten practically any votes.

Mr. KENNEDY. By this method, you were competing against three different locals of the meatcutters?

Mr. E. KENNEDY. Locals 400, 342, 489 and the company.

Mr. KENNEDY. There was just your local against all of them?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. What was the final result?

(At this point, Senator Mundt entered the hearing room.)

Mr. KENNEDY. 4,482 votes were cast.

Mr. E. KENNEDY. We got 1,942, the Butcher locals combined got 2,409, the company got 131.

Mr. KENNEDY. And there were 1,800 votes that weren't cast?

Mr. E. KENNEDY. Challenged votes 210.

Mr. KENNEDY. Some 1,800 did not cast their votes at all?

Mr. E. KENNEDY. Yes, sir. There were approximately 6,500 and 4,692 people voted.

Mr. KENNEDY. Did you bring a charge of unfair labor practice against the company in that election?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. What were the votes?

Mr. E. KENNEDY. Local 1500 has 1,942, the Butchers locals combined were 2,409; the company vote was 131, challenged votes were 210, making a total of 4,692 votes cast out of approximately 6,500.

Mr. KENNEDY. So you brought charges of unfair labor practice against the company?

Mr. E. KENNEDY. That is correct, sir.

Mr. KENNEDY. Did the Board sustain your charges and order a new election?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. They did?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. And you had a new election then on March 13, 1955?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. And there were, for the three Butchers locals, 342, 400, and 489, they received 2,905 votes, is that correct?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. And your local 1500, received 1,183 votes?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. No union received 96 votes?

Mr. E. KENNEDY. That was challenged votes.

Mr. KENNEDY. Challenged votes?

Mr. E. KENNEDY. Yes, sir.

Mr. KENNEDY. So you got beaten in both of these elections?

Mr. E. KENNEDY. That is correct.

Mr. KENNEDY. How do you explain if the people did not want the Meat Cutters, how do you explain the fact that when this election was held that they did not support you?

Mr. E. KENNEDY. Well, that is very easy to explain, Mr. Kennedy, for the simple reason that the supervisors, the managers, and everybody else spoke to the workers, promised them a lot of things, took them down to the downstairs, to the back room, promised them everything to vote for local 342 and the rest of the Butchers Union. I mean, I could understand that very clearly, the feeling of an employee that he felt his position was a very dubious one if he didn't go along with the company.

Mr. KENNEDY. Do you think that the individual employee was discouraged and disgusted by this time?

Mr. E. KENNEDY. I believe he certainly was.

Mr. KENNEDY. That is all.

Senator CURTIS. Going back to this time when the contract was signed with the Meat Cutters, and A. & P., that was the Brooklyn unit, wasn't it?

Mr. E. KENNEDY. Yes, sir.

Senator CURTIS. How many workers were involved?

Mr. E. KENNEDY. Do you mean the contract signed by the Butchers, just for the Brooklyn units? Is that what you mean?

Senator CURTIS. Yes.

Mr. E. KENNEDY. No, the contract was signed for all the units.

Senator CURTIS. I am not talking about the last one you referred to.

Mr. E. KENNEDY. I see.

Senator CURTIS. I am talking about the contract where you ended up that you were going to service the contract, and they would be turned over to you at the end of a couple of years.

That particular contract was for what area?

Mr. E. KENNEDY. That contract that was signed on, I believe, October 10 or 11 was the separate one for the Brooklyn unit, a separate one for the Garden City unit—not the Garden City unit, a separate one for the Bronx unit, a separate one for over in Jersey.

Senator CURTIS. But the principal dispute involved the Brooklyn unit?

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. How many workers were involved in the Brooklyn unit, just roughly?

Mr. E. KENNEDY. I would say when we went out on strike it was around 1,455, around 1,500.

Senator CURTIS. And how many of them had expressed their dissatisfaction with the Meat Cutters Union?

Mr. E. KENNEDY. Our election, I believe, would have shown that, 987 that we got, 987.

Senator CURTIS. Why couldn't they just stop paying dues to the Meat Cutters?

Didn't they want to belong? Didn't they think they were getting a good deal? If not, why couldn't they just stop paying dues?

Mr. E. KENNEDY. Naturally, Mr. Senator, they felt they would be discharged in accordance with the contract that the butchers had with the company, and a number of them were, because they would not pay dues to 342.

Senator CURTIS. It was a union shop contract?

Mr. PICARIELLO. Yes, Senator.

Senator CURTIS. So even though they had been forced into a union against their wishes, they were dissatisfied with the union, dissatisfied with the contract they got, there had never been any election held, they were still in a position where if they quit supporting that union they lost their jobs?

Mr. E. KENNEDY. There is no question about that. A number of them did actually lose their jobs because they refused to pay dues to local 342. A number of these employees were sent to the regional board and the regional board investigated the matter and had them sign affidavits to that effect, and these affidavits became part and parcel of some of our charges filed against both the union and the employer.

Senator CURTIS. I think that deals with a legislative proposition that the Congress should take concern of, and that is the right of the workers to get out of a union without losing their jobs. If they didn't have such power of contract over them, they would have a little of their liberties left.

The contract that we are talking about, how long did it run?

Mr. E. KENNEDY. It ran for 22 months.

Senator CURTIS. I thought it was a 5-year contract.

Mr. E. KENNEDY. Sir?

Senator CURTIS. Wasn't it a 5-year contract?

Mr. E. KENNEDY. No, sir; not this contract. It was 22 months. It expired in August 1954. It started October 10, 1952.

Senator CURTIS. How long have you been in the union business in the New York area, Mr. Kennedy?

Mr. E. KENNEDY. I have been in there since May of 1940, sir. I have been general manager since that time.

Senator CURTIS. What other instances do you know of where workers have had a contract forced on them where they were never advised what the contents were?

Mr. E. KENNEDY. Well, I don't know of any, because in my actual experience I don't operate that way.

Senator CURTIS. I didn't ask you about yours. I asked you if you knew of any others. We took quite a little testimony last fall, with reference to Dioguardi and other labor leaders in the New York area, involving many of the Puerto Ricans, where workers were not only put in a union without their knowledge or consent, but they never had any idea what the contract with their employer was about.

Mr. E. KENNEDY. I don't know any of those gentlemen. After all, I stay by myself in this labor movement, and I don't know of anything like that that transpired, because I don't know any of those people.

Senator CURTIS. We have the sworn testimony.

Mr. E. KENNEDY. I am not questioning you, Senator.

Senator CURTIS. What is that?

Mr. E. KENNEDY. I am not questioning you.

Senator CURTIS. Well, how can that be remedied?

Mr. E. KENNEDY. Well, I think elections should be held, either by the NLRB or the honest ballot association.

Senator CURTIS. Mr. Kennedy, you were mentioned in the hearings on the Food Fair.

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. And you gave a couple of affidavits?

Mr. E. KENNEDY. Yes, sir.

Senator CURTIS. Mr. Julius Schwartz was connected with the management of Food Fair; was he?

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. Did he come to you in August or September of 1955 and talk to you about the purchase of stock in the Food Fair Properties, Inc.?

Mr. E. KENNEDY. He spoke to me and wanted to know if I would be interested in purchasing any stock in the Food Fair Properties, Inc. I told him at that time that I would not be interested in it, but there was a possibility that my sister might be interested in it. I spoke to my sister. Two weeks later, he called me back, and I told him that my sister would be interested, and she purchased 500 shares of that stock; yes, sir.

Senator CURTIS. Did your sister gain anything by this purchase?

Mr. E. KENNEDY. She still has the stock, sir.

Senator CURTIS. I didn't ask that.

Mr. E. KENNEDY. She still has the stock, sir.

Senator CURTIS. I mean at the time.

Mr. E. KENNEDY. The stock was selling for a dollar a share. What it is today, I don't know, or at that time.

Senator CURTIS. What was it worth at the time you got it for your sister?

Mr. E. KENNEDY. That was before it went on the market. I think it was worth a dollar a share.

Senator CURTIS. Immediately when it went on the market, what was it worth?

Mr. E. KENNEDY. I understand it went around \$4, I believe.

Senator CURTIS. It was worth \$4?

Mr. E. KENNEDY. I believe so; yes.

Senator CURTIS. So your sister paid \$500 for the 500 shares of stock?

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. And as soon as it was on the market, at the same time, it was worth \$2,000?

Mr. E. KENNEDY. That is correct, sir.

Senator CURTIS. And that was what Schwartz told you about it, and it had been your opportunity to take it?

Mr. E. KENNEDY. That would have been mine, yes, sir, if I had wished to have taken it, that is correct.

Senator CURTIS. You didn't take it for yourself, but you took it for your sister?

Mr. E. KENNEDY. My sister said she would be interested in it.

Senator CURTIS. And at that time, your union did have collective bargaining arrangements with Food Fair?

Mr. E. KENNEDY. That is also correct, but it has no bearing on the case. That I can definitely tell you. At no time.

Senator CURTIS. Well, they came to you with the information about it.

Mr. E. KENNEDY. They came to me, but it would have no bearing on the case, regardless, if I had 1 contract with them or 15.

Senator CURTIS. I am not alleging it has any.

Mr. E. KENNEDY. I just want to keep the record straight.

Senator CURTIS. I am not alleging that that would affect your judgment or your vigor in speaking up for the workers you represent. I wish to make no such reference as that.

Mr. E. KENNEDY. No. I will stand on my record, Senator.

Senator CURTIS. But the point is it was something of value offered to you, and you did not take it but you arranged for your sister to take it?

Mr. E. KENNEDY. I did not arrange it. My sister took it. But I did not arrange it. She was interested. If she was not interested, she would not have taken it.

Senator CURTIS. Well, you talked to your sister about it?

Mr. E. KENNEDY. That is right.

Senator CURTIS. And you talked to her because the management of Food Fair talked to you?

Mr. E. KENNEDY. Well, that is correct, sir.

Senator CURTIS. And you transmitted the check?

Mr. E. KENNEDY. That is correct, sir, and she reimbursed me.

Mr. KENNEDY. In that connection, there is no question that the company approached you, is that right, about purchasing the stock?

Mr. E. KENNEDY. No, sir.

Mr. KENNEDY. You did not approach them?

Mr. E. KENNEDY. No, sir. She still owns the stock, too.

The CHAIRMAN. Are there any other questions?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. William Ross.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

TESTIMONY OF WILLIAM ROSS

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. Ross. William Ross, 3150 Bailey Avenue, unemployed at the moment.

The CHAIRMAN. What is your former occupation, Mr. Ross?

Mr. Ross. I am unemployed, but I am a bartender, looking for work.

The CHAIRMAN. I did not know anybody was unemployed in that profession.

Do you waive counsel, Mr. Ross?

Mr. Ross. Yes; I do.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Ross, did you say you used to work for the A. & P. Co., is that correct?

Mr. Ross. That is correct.

Mr. KENNEDY. For how many years did you work for the A. & P.?

Mr. Ross. I believe it would be about 6 or 7.

Mr. KENNEDY. When did you start to work for them?

Mr. Ross. 1947.

Mr. KENNEDY. You were in the Army, were you?

Mr. Ross. I was in the Navy.

Mr. KENNEDY. For how long?

Mr. Ross. Three years.

Mr. KENNEDY. And you were head of your American Legion post?

Mr. Ross. I am a past commander of an American Legion post up in Manhattan.

Mr. KENNEDY. What years were you in the Navy?

Mr. ROSS. I was in the Navy from 1943 to 1946.

Mr. KENNEDY. And shortly after getting out of the Navy, you started to work for the A. & P. Co., is that right?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. And you were working for the A. & P. Co., as a clerk?

Mr. ROSS. That is correct.

Mr. KENNEDY. Were you interested at that time in having yourself and your fellow employees join a union?

Mr. ROSS. I became interested shortly after going to work for the A. & P.

Mr. KENNEDY. You were working in the Bronx unit, is that right?

Mr. ROSS. That is correct.

Mr. KENNEDY. Mr. Chairman, we had a witness yesterday who testified mostly on the Bronx unit, and, of course, Mr. Eugene Kennedy testified today mainly on the units in Brooklyn. We will have some witnesses, such as Mr. Ross, who will testify on the situation in the Bronx, and who were employed there and employed at the time by the Brooklyn unit also. They would only have information regarding their particular area. I wanted to get that clarified.

What union were you working for, once you became employed in the A. & P. over in the Bronx?

Mr. ROSS. I became interested in local 474 of the CIO at that time, retail, wholesale.

Mr. KENNEDY. Did you work actively for them during this period of time, 1947 on, through 1958?

Mr. ROSS. Yes, I did, very much.

Mr. KENNEDY. Did you feel you were making progress as far as unionization was concerned?

Mr. ROSS. Yes, I did.

Mr. KENNEDY. On March 19, 1952, you held an election?

Mr. ROSS. That is right; a representation election.

Mr. KENNEDY. At that time you received 772 votes?

Mr. ROSS. Correct.

Mr. KENNEDY. That was a great improvement over the votes you had received in the past?

Mr. ROSS. Yes, it was.

Mr. KENNEDY. Was there optimism as far as your union was concerned and your people were concerned?

Mr. ROSS. We felt it was a moral victory and knew that the day was near when we would succeed.

Mr. KENNEDY. Later on in 1952, after that election, were you approached by anybody from Local 400, of the Meat Cutters Union?

Mr. ROSS. Well, while waiting for the year to run out, I met personally some of the meatcutters in the summer of 1952.

Mr. KENNEDY. What did they say to you at that time regarding their organizational drive?

Mr. ROSS. It seems that they had entered my store and had been spreading a story to the effect that if the men were to sign these authorization cards, we would receive an election. As I had known, and had informed the men at that time, there could not have been an election for 1 year following March 1952, so with that, they had failed momentarily, as they thought, and then had butchers in the

store take me into the cellar or meet me in the cellar and try to give me the impression that I could get in on the gravy train or on the ground floor, as they had put it, and get myself a job with their union if I would cooperate.

They handed me a number of authorization cards, which I said I did not want. They said "Well, take them anyway, if you should change your mind."

I said "It would never happen," and I destroyed the cards right in front of them.

Mr. KENNEDY. At this time, you knew they could not have an election?

Mr. Ross. I knew. Legally they had to wait 1 year.

Mr. KENNEDY. So when they were going around telling the employees to sign these cards, the cards would obtain an election for them so that they could select a union, you knew that was incorrect?

Mr. Ross. I did, and told them.

Mr. KENNEDY. They persisted in trying to get people to sign cards?

Mr. Ross. Yes, sir.

Mr. KENNEDY. Some of the people did sign the cards with the understanding that they would obtain an election?

Mr. Ross. Yes, sir.

Mr. KENNEDY. That is what they were telling them?

Mr. Ross. Yes.

Mr. KENNEDY. They did not tell them at that time "If you sign the card, this delegates the Meat Cutters as your bargaining agent"?

Mr. Ross. No, never.

Mr. KENNEDY. They just told them that this would obtain an election for them?

Mr. Ross. Yes.

Mr. KENNEDY. Were you surprised, therefore, when it was announced that a contract had been signed?

Mr. Ross. Yes; because we did not see them any more after that, maybe a week or so in the middle of the summer. We no longer met them. On, I believe, the second week in October, when we went to work, we had a letter handed to us, signed by, I believe, the vice president, Mr. Bieber, stating that they had signed a contract with the Amalgamated Meat Cutters, and in the near future we would receive the provisions of such a contract.

Mr. KENNEDY. What was your feeling at that time?

Mr. Ross. In fact, at that time, the men all spoke to me and wanted to walk out of the stores. They said "What right did the A. & P. have to put us in a union?"

Mr. KENNEDY. Was there great bitterness at that time?

Mr. Ross. Yes; very strongly.

Mr. KENNEDY. Can you describe it?

Mr. Ross. Well, at some of the stores the men wanted to walk out. Naturally, I contacted the union I was fighting for, 474, and they informed me it would be the worst thing we could do, to walk out of our stores, and we should wait and see if it could not be fought elsewhere without making a move as that.

Mr. KENNEDY. Did you feel that the rights of the individual employees had been completely ignored?

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. Ross. It was completely ignored, in our eyes and as we believed. We knew the company had been successful in all these matters, in the two elections I was involved in, were successful in having the men believe they did not need a union, and the men were believing it, but at the same time we fought harder and were proving to the men that we did need one in the A. & P. It was our contention that the A. & P. signed this contract knowing that it was a moral victory for us in March 1952, and thought that the men had let them down by giving us so many votes in that election. We believed at that time the A. & P. was out to get themselves a union they could do business with.

Mr. KENNEDY. Is that what it turned out to be?

Mr. Ross. As far as we were concerned, yes.

Mr. KENNEDY. Was that the feeling of your fellow employees in the store?

Mr. Ross. All of them.

Mr. KENNEDY. There was great bitterness about them?

Mr. Ross. Yes, sir, almost 90 some percent. The men who had stuck by the company and had voted no union in the previous elections now were even bitter to think that they believed the company. A letter had been sent maybe a week or so before the election in 1952, where A. & P. stated:

There will never be a union in A. & P. Stick with us. We don't need a union. Why pay dues to a union? We will never have a union.

Here 6 or 7 months later, those men were put in, and they were very hurt, thinking this, that they had stuck with the company, and now they were put in a union.

Mr. KENNEDY. And they had no right to select the union at that time?

Mr. Ross. They had no right to select them. God knows where they got the names, certainly not from us. There were 200 of us in one area. They may have gotten a handful, and how they got the handful was because they were misled by being told it was for an election. And some, before getting the information from us that there could not be an election, foolishly signed the cards on those pretenses.

Mr. KENNEDY. What happened after they announced to you that a contract had been signed?

Mr. Ross. About a week after this had happened, Mr. McNally, my supervisor, came down to the store and took me for a car ride, and at that time showed me a contract which I read, as much as I could in the little time that he gave me, and I came across one particular article of interest to me, and that was the welfare article which distinctly stated the company shall pay \$10 per month per man to the union to provide the union's welfare plan, and it also stated the union's welfare plan would be in accordance with the New York State law pertaining to sick benefits, noting that a man would have to be ill 5 days before he would receive a day's pay of sickness.

I said to Mr. McNally at that time "We have a better sick plan given to us by the A. & P. Why should we now have one the union isn't going to meet, although you are giving \$10 a month?"

Now 1 week later, I then see 2 more contracts and that article isn't in there any more. I got up before the men at a meeting in the Bassett Temple in the Bronx and I told them that I read this article.

Now what happened? I visit stores and managers came to me and said "Ross, how could you lie like that? The A. & P. would never take your sick benefits and turn them over to a union."

I said, "I read it with my own eyes, it is in the contract," and now management have the men believing that possibly I did lie, when I didn't.

Mr. KENNEDY. What the union had done was to have a clause in there dealing with the sick benefits?

Mr. Ross. Yes, sir.

Mr. KENNEDY. And that clause was not as good as the provision you already had from the A. & P. Co. itself?

Mr. Ross. Not nearly as good.

Mr. KENNEDY. And you pointed that out to them?

Mr. Ross. Yes, sir.

Mr. KENNEDY. And they showed you a contract later on and that clause was out?

Mr. Ross. It was out. I saw two more contracts after that. I was over in Joe Cohen's office, and I had filed a protest with him, and had gone over, and we went over in bodies of men, and protested, how could the union do a thing like this, or how could the two collaborate and put us into a deal when most of us didn't want a union at the time, and the rest of us that did, we had the union we wanted, and we knew the day was going to come when those men that had voted no union in 1952 were voting because they figured 75 percent of us were voting no union.

The men were surprised when they saw that almost 50 percent of us voted union, and they were going to come with us, 1 year hence, when we were going to vote again.

Mr. KENNEDY. After they signed the contract, what was the company doing as far as the individuals, the employees? Were they trying to get them to sign the cards, then?

Mr. Ross. Yes.

Mr. KENNEDY. Would you explain that?

Mr. Ross. Every day something was doing in the store, particularly my stores on the upper West Side. As I put out a letter and put my name to it, the supervisors were the delegates of the union and the managers were the shop stewards, because it was them that were trying to get us to join the union and go into it, and we wouldn't. But no union official had the nerve to come around and talk to us. None of them showed up. The only ones that were campaigning for the union to get us to sign the membership cards or application for membership was the supervisors and the managers. They were telling us in accordance with a certain article, which was the union shop clause as a condition of employment, we must hold membership in the union, and we defied to join what.

The CHAIRMAN. Supervisor and manager of what?

Mr. Ross. Of A. & P. supervisors and A. & P. managers.

The CHAIRMAN. They personally came around and solicited the signing of the cards?

Mr. Ross. Yes. Every man in the stores was approached by managers and every man like myself who was active were approached by supervisors and told that we had to, in accordance with the contract, make membership in this union.

The CHAIRMAN. That was after the contract had been signed?

Mr. ROSS. After it was signed.

The CHAIRMAN. Was that during the card campaign?

Mr. ROSS. The card campaign? There was hardly any of it that summer, as I said. That was the authorization card.

The CHAIRMAN. The card campaign is a bit of a mystery.

Mr. ROSS. That was the authorization card, giving them authority to be our bargaining agent. The few that they did hand to me were ripped up in front of them. Now the card I am referring to is an application for membership in the union.

The CHAIRMAN. That is after the contract was signed?

Mr. ROSS. Yes.

The CHAIRMAN. You had to sign another card then for membership in the union?

Mr. ROSS. Yes.

The CHAIRMAN. That would authorize them to withhold your dues?

Mr. ROSS. Well, no; that was another card which we never saw. The checkoff card we never saw. This card was an application so that we could put down our benefactor for death benefits, I believe, and particulars, our age and all.

The CHAIRMAN. In other words, it was to make a record of you as a union member and get you into the union?

Mr. ROSS. Correct.

Mr. KENNEDY. Despite the fact that management was urging you to sign the cards, did a large number of the employees refuse to sign the cards?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. Were you one of those who refused to sign?

Mr. ROSS. Yes.

Mr. KENNEDY. Did the manager of your store tell you that they had a meeting of the managers, and they were told to intensify their efforts to try to get people to sign?

Mr. ROSS. Yes; that is correct.

Mr. KENNEDY. Did he tell you about the fact that they had great opposition on the part of all the employees throughout the district who refused to sign?

Mr. ROSS. Yes. It was our whole unit that had offered resistance to this move. As such, managers were brought to meetings and instructed as to more or less put questions to the men so that they would ask them, and they would have the answers to give them.

Mr. KENNEDY. Why was there so much opposition? You had wanted a union.

Mr. ROSS. Why was there so much opposition? Because only 6 months before then the men did not want a union and those men were voting no union in previous elections and then we who were becoming larger and larger in number were succeeding to come to our goal of bringing in the local we wanted.

How come all of a sudden the company men turned around and wanted to be union men of a union they know nothing about, and how come we who knew what we wanted were going to change our minds? We wanted a grocery union, the one in the competitor of the A. & P., Safeway. We felt put two pieces of rope together and it will be stronger.

We felt if Safeway was organized, let's get their local and we will have one that will fit both Safeway and A. & P. and not have two pieces of rope fighting against each other.

Mr. KENNEDY. Did the manager disclose to you or indicate to you what a small percentage of the people they were able to get signed up?

Mr. Ross. Yes.

Mr. KENNEDY. What did he tell you?

Mr. Ross. They returned from one of their meetings one night, and our manager had expressed or told me of the meeting and said "Boy, we got some territory."

Now, our territory was on the upper West Side. It consisted of possibly 12 stores, totaling a number of 200 clerks, 200 of us that were put in local 400. Out of that 200, I doubt if the union could produce 25 men who had made application for membership. The manager told me, he says:

Well, Bill, our territory stands to worsen the whole Bronx unit. Only 17 percent.

That would be probably 34, if it were a total of 200.

Only 17 percent of our men have signed membership cards. We have to do something about this. I am on the carpet because in my store, none of them will sign up.

That is the words of the manager.

Mr. KENNEDY. Did they tell any of the employees then about the raise that they might get or might lose if they didn't join the union?

Mr. Ross. Yes. They tried, and that was dropped very fast, to have us believe that this contract, which was to give us a \$5 raise; the \$5 was going to be denied us if we hadn't made membership or application for membership in this union. We said, "How ridiculous. If a man gets a \$5 raise, he gets it, whether he joins or not."

Mr. KENNEDY. Did the managers tell you you would not get your \$5 raise unless you signed up with the union?

Mr. Ross. Yes. We were not going to get it unless we signed up with the union.

Mr. KENNEDY. Were you working actively against the Meat Cutters Union?

Mr. Ross. Yes; I did. I would also like to bring a point out that happened to me for the time, for the few years I was organizing. When I went into A. & P. stores and handed a leaflet to the men, not holding them up on their jobs as, maybe, the company might say; I was not there long enough, because I had to run. The manager was going to take me by the back of the neck and throw me out, as he did. On two different occasions I was handled by a manager on Third Avenue and one on Tuckahoe, one that tried to throw me over a box.

I had to run from those stores, so I didn't spend more than a few seconds handing a leaflet to a man.

Some managers collected those leaflets from those men and ripped them up in front of them. But when the Meat Cutters came along in that summer of 1952, they were allowed the whole store, and could do whatever they wanted. Why was it I was thrown out? I also received notice from a man, my supervisor, Mr. McNally, that, if I

ever set foot in another A. & P. store, he had orders to terminate my employment.

I wrote a circular and said, "Where does Mr. McNally or the A. & P. have the right to prevent me from going into a store?"

I handed that circular out and went into A. & P. with it and they said, "Where does Bill Ross get the right to do a thing like that?", and I said, "This is Bill Ross, and I will still do it."

Butchers were allowed, but not us.

Mr. KENNEDY. Did you understand or learn that there might be a secret agreement between the company and the union on the terms of the contract?

Mr. Ross. No. I do know our butchers wanted a 40-hour week, and they said they would do anything to get the 40-hour week. Near the end there, or when the contract came out, I said, "What happened to the 40-hour week?" and they said, "Well, we got you people, instead. We were told at a meeting we would have to sacrifice the 40-hour week for the time being, and 10,000 clerks now belong to the Amalgamated Meat Cutters."

Mr. KENNEDY. Were they dissatisfied?

Mr. Ross. They, most certainly, were dissatisfied. They wanted a 40-hour week.

Mr. KENNEDY. So, everybody in the A. & P. stores was unhappy?

Mr. Ross. Yes.

Mr. KENNEDY. Except the management?

Mr. Ross. I gues not. It seems management was quite happy.

Mr. KENNEDY. You were actively working against the Meat Cutters after they signed the contract. Did they take any steps against you, management, personally?

Mr. Ross. Yes. Management transferred me to the East Bronx. I would like to say this. The A. & P. policy was to keep a man within a territory. There were so many territories in the Bronx unit. I was in the upper West Side territory. We remained in those territories, unless, maybe, a man received a promotion and was sent to another territory.

Never was it the practice of the A. & P. to go from one territory to another. This time, I was sent from one territory to another. I was sent to the East Bronx, double carfare, and everything else. Why? Because I stood up and said, "We will not join this union."

And I filed unfair labor practice charges with the Board, saying that I was discriminated against, that they had no right transferring me over.

Mr. KENNEDY. Did any of the supervisors explain to you why they were transferring you to the East Bronx?

Mr. Ross. Yes: I went to the office store of my territory, and the supervisor was off that day, but the acting supervisor I met him, and I said, "Why is this? Why should I have to be transferred to the East Bronx?"

He told me, in every plain words, "Bill, you know what it is. It is your union troubles. Why don't you keep out of it and let the union men do their own fighting?"

He said, "You get down to business. You got a family. Do your work in the grocery store," which I know I had always done to stay one step ahead of the A. & P., and he told me if I did stay out of it,

he would see there would be no trouble in getting me back to the West Side, where I come from.

Mr. KENNEDY. He told you about the fact that you should not be sticking your neck out in the interest of yourself in fighting the Meat Cutters; that you had a family responsibility?

Mr. Ross. That is correct.

Mr. KENNEDY. And, if you gave up your activities, he would be able to arrange for you to be transferred back?

Mr. Ross. Correct.

Mr. KENNEDY. What did you say?

Mr. Ross. I didn't go along with it one bit. In fact, I probably did say, "It would never happen. Not in a million years would I give up fighting for what I believe in."

Mr. KENNEDY. So you filed an unfair labor practice against the company?

Mr. Ross. Yes.

Mr. KENNEDY. Was that sustained?

Mr. Ross. Yes. The company had settled down at the Board and returned me to the West Side, with a notice stating that no prejudice to seniority or any other benefits.

Mr. KENNEDY. So, you won?

Mr. Ross. I won.

Mr. KENNEDY. So you went back to work at the West Side of the Bronx?

Mr. Ross. I did.

Mr. KENNEDY. Did you continue to work against the Meat Cutters?

Mr. Ross. I most certainly did. There were men like me in all parts of the Bronx unit, and we met quite often. If not speaking on the phone every couple of days, we met at least once a week and continued our organization within an organization.

Mr. KENNEDY. This is 1953, then?

Mr. Ross. 1953; yes.

Mr. KENNEDY. Did you make arrangements at that time, or did you try to work to try to get rid of the Meat Cutters?

Mr. Ross. Yes. At that time, we started an extensive campaign to petition for, a U.D., deauthorization of the union-shop clause, and we succeeded in getting, as was mentioned yesterday, we got probably 50 percent of the men to sign this petition, and went down and got an election.

Mr. KENNEDY. You got over 900 people to sign a petition, did you not, in the Bronx?

Mr. Ross. That is correct.

Mr. KENNEDY. And you requested an election so that you could get rid of the union clause in the contract that you would have to pay your dues?

Mr. Ross. That is right.

Mr. KENNEDY. What was the attitude of the company during this period of time when you were trying to get rid of the Meat Cutters?

Mr. Ross. Well, what happened was, we were given our election and the A. & P. campaigned with the union to keep us from the polls.

There again, I would like to say we had two representations and the A. & P. didn't feel it was going to be a burden on their company when they asked for the roving ballot box.

Mr. KENNEDY. You will have to explain that. First, your first point is that the company actively campaigned against you and for the Meat Cutters?

Mr. Ross. Yes.

Mr. KENNEDY. They actively wanted the Meat Cutters to remain in as the bargaining agent?

Mr. Ross. Definitely.

Mr. KENNEDY. And to represent the employees?

Mr. Ross. Yes.

Mr. KENNEDY. This, of course, was a complete reversal of their antiunion activity prior to this time?

Mr. Ross. Yes.

Mr. KENNEDY. The second thing, you were talking about the ballot boxes. What did they do about the ballot boxes?

Mr. Ross. When they had these preliminary hearings at the Board before setting up the election. The A. & P. and union acted together in setting up the elections. They said yesterday it was 2 against 1, the A. & P. and the union.

Mr. KENNEDY. Was the company trying to get people out to vote or not to vote?

Mr. Ross. They were trying to keep them away from the polls, knowing that not going to the polls was a vote for the company or the company union.

Mr. KENNEDY. You have to get 50 percent of the eligible votes; is that right?

Mr. Ross. We had to get 50 percent of the eligible voters to go to the polls.

Mr. KENNEDY. Did they restrict the number of ballot boxes and the convenience of the ballot boxes?

Mr. Ross. Yes, they denied a convenience. They had so willingly given before when they were so antiunion and now were pronounion.

Mr. KENNEDY. They made it difficult?

Mr. Ross. They made it difficult for us to get to the polls.

Mr. KENNEDY. And the local, as well as management, campaigned against people voting in the election?

Mr. Ross. Yes.

Mr. KENNEDY. Both of them; is that right?

Mr. Ross. Yes.

Mr. KENNEDY. What was the feeling amongst the employees about voting? Did they feel that they would get in any difficulty if they came to the polls and cast their ballots?

Mr. Ross. The men, those that were just going along and were happy with their jobs but still refused to pay were being told—and as they told me—"Bill, we are informed if we go to the polls, we are going to be marked men," and they were afraid to stick their necks out and go there and vote with us. They said, "Why can't the ballot box be brought to the store where I can go in and it is there at my convenience, and management or union would not know whether I was going in to vote."

So they said they would not go because they were to be marked men, and that is what the managers had spread the word on. Of course, they would never say it to me, but they went to the men in the store who they felt would listen to them, and they were telling them, "You will

be marked men if you go near that poll tonight, or a week from now, whenever it is."

Mr. KENNEDY. The company told them that?

Mr. ROSS. Management told the men that.

Mr. KENNEDY. That if they went and voted they would be marked men?

Mr. ROSS. They would be marked men.

Mr. KENNEDY. Did the company have anybody at the polls to find out who voted? Do you know that?

Mr. ROSS. I am trying to think now who the observers were. I am not certain whether the company had an observer on the election board. The Amalgamated Meat Cutters had an observer; a man like myself would have been an observer for the petitioners. I am not certain whether the company had an observer.

Mr. KENNEDY. How many people did you get to come out and vote against the Meat Cutters?

Mr. ROSS. We got almost 50 percent of the eligible votes.

Mr. KENNEDY. You got 979 employees who voted against the union?

Mr. ROSS. Nearly 1,000 of us to go out and vote "no union."

Mr. KENNEDY. One hundred and seventy-two voted to keep the union, and 979 employees voted to get rid of the Meat Cutters; is that right?

Mr. ROSS. Yes.

(At this point, Senator Mundt withdrew from the hearing room.)

Mr. KENNEDY. This was not the 50 percent that was necessary, however?

Mr. ROSS. No. In fact, some of those "no" votes probably would have been ours if the men knew what they were doing when they got to the polls. The way the question was put, it certainly was difficult.

Mr. KENNEDY. Did you have any personal experiences while you were working at the polls?

Mr. ROSS. Yes. Starting with their first store at Mount Kisco, down through a couple of the counties up there, we did have a roving ballot box. We came down as far as Bronxville, I believe and then the difficulty started in Yonkers and White Plains where those men might have lived miles away from the polls, and they wanted a ballot box in the store to vote, but we failed to get it for them, because the company refused to give it to us. But I went up to Mount Kisco. I started down in the morning with a roving ballot box. I had the eligibility list of the men in each store eligible to vote. It so happens I go into a store and made known who was eligible at one point and a fellow turns around and says "He is not with us no more. He was here last summer. He goes to college or something or other. He was only here for a short time." This is 6 months later. The man is no longer with them. How could I possibly get him to vote out the union-shop clause when he was not with the company?

Mr. KENNEDY. Who made up the eligibility list?

Mr. ROSS. The NLRB made it up, and from what I understand, the company submitted to them a payroll sheet, which the National Labor Relations Board took names off of and made an eligibility list of it.

Mr. KENNEDY. It was advantageous for the company, was it not, to have as many names as they could on the eligibility list?

Mr. ROSS. Certainly it seemed so, and all of a sudden inside of a year we had more employees.

MR. KENNEDY. In this election if they wanted to keep this union, it was advantageous to have a large number of people, as many people as possible on the eligibility list?

MR. ROSS. Yes, sir.

MR. KENNEDY. Because you had to get 50 percent of those people to vote against having the union in order to get rid of the union?

MR. ROSS. That is correct.

MR. KENNEDY. Certainly the more people you had, the higher the 50 percent would be; isn't that right?

MR. ROSS. Correct.

MR. KENNEDY. You didn't get the 50 percent, and did you bring some charges after the election was finished?

MR. ROSS. Yes, sir; as the petitioner, myself, and two more, we went down and filed charges, and we felt that the company, in our words, had padded the eligibility list, making it more difficult for us to win in throwing out the union-shop clause.

The Board didn't help us, or how would I put it—they didn't go out of their way to help us in getting proof of this. We wanted a copy of the eligibility list and the NLRB refused to give it to us and they said they weren't allowed to. So we had to accept that, but we did succeed in getting a portion of it in that the Board examiner that was going to handle these charges had given us a small piece of this eligibility list.

With that small piece I went up and at that time I said, "Would the A. & P. be willing to allow a couple of petitioners to leave the company with a leave of absence for a couple of weeks while we check," and A. & P. was refusing to do it until the Board agents said, "Well, it is not being in good faith by denying these petitioners a couple of weeks off to check this eligibility list."

Well, we succeeded in getting a couple on a leave of absence through the help of the Board, and we found fraudulent names to the eligibility list up in the counties, and a couple of cases down here in the city, but as the Board agent said, it wasn't to the extent that it would change the vote in the election.

It was our contention that at least we had proved the A. & P. had padded this list. But to our sorrow, it was short of the required number to turn the election in our favor.

MR. KENNEDY. After this, did the A. & P. Co. then take further steps to get the employees to sign up with the union?

MR. ROSS. Yes, and they continued and continued. They sent us, I believe, a number—maybe four letters.

MR. KENNEDY. Did you refuse?

MR. ROSS. I certainly did refuse.

MR. KENNEDY. Were you ultimately discharged then for not paying?

MR. ROSS. Yes. In November, 13 months later, since the contract had been signed, we still held our ground and refused to join. Every notice we received from the A. & P. was supposed to be the final notice, and each one said if you didn't pay by this time, you are going to be dismissed.

We still tore up the letters, and now we received another one, and it was getting to be a little more threatening than past letters, and so I personally called Mr. Barr McKee, personnel manager of the Bronx unit, and made arrangements with him to meet the A. & P.

Now, I had met with my group the night before, and they had agreed I would call the next day to the A. & P. So the A. & P. made arrangements down at the Vanderbilt Hotel, and they got a suite of rooms. Myself and two other boys went down and we met with the A. & P.

It was our feeling then and as we said it and I remember very distinctly, and Mr. McKee, Mr. Ratcliffe was there with him also, "You have ignored the contract for 13 months, and there is only 10 months left, and why should we make a move now? You ignored the union-shop clause for 13 months, and you succeeded in letting it slide by, and why not let it slide by another 10 months knowing that we were then going to petition for a representation election.

Mr. KENNEDY. Did they fire you?

Mr. ROSS. Yes, they fired me.

Mr. KENNEDY. And some nine of the other leaders?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. These were people that had led the fight against the Meat Cutters?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. And you were fired then?

Mr. ROSS. Yes, sir; and we were handpicked, might I say. It wasn't only 10 of us that refused. There were hundreds of us.

Mr. KENNEDY. And they selected the 10 that had been the ones most vocal against the Meat Cutters?

Mr. ROSS. That is why I am here today. I was one; No. 1, maybe.

Mr. KENNEDY. What happened then? Did you file a charge?

Mr. ROSS. We filed charges against the A. & P. and against the union, in that I felt, and we knew that there were more than 10 of us.

Mr. KENNEDY. So what happened?

Mr. ROSS. Well, I don't believe I remember——

Mr. KENNEDY. Ultimately you settled the charges?

Mr. ROSS. We settled the charges.

Mr. KENNEDY. And you were each paid \$500?

Mr. ROSS. We were each paid \$500.

The CHAIRMAN. You mean they paid you \$500 for the privilege of firing you?

Mr. ROSS. It certainly looks that way.

The CHAIRMAN. It does from here. Go ahead.

Mr. KENNEDY. That is all.

The CHAIRMAN. Is there anything further?

Senator CHURCH. I have no questions.

The CHAIRMAN. You haven't worked for them since that time?

Mr. ROSS. I guess not.

The CHAIRMAN. What I am trying to get at is that actually in order to get you to withdraw the charges and in order to settle your charge against them for discrimination by discharging you, while retaining others who had been delinquent as long as you had been, and who had been fighting the Meat Cutters' Union, they actually settled with you for \$500 to drop the charges?

Mr. ROSS. That is correct.

The CHAIRMAN. So you dropped the charges for the \$500?

Mr. ROSS. That is right.

The CHAIRMAN. Did each of the 10 receive \$500?

Mr. ROSS. Eight of us, seven more besides myself.

The CHAIRMAN. Eight of you received \$500?

Mr. ROSS. Yes, sir.

The CHAIRMAN. What happened to the other two?

Mr. ROSS. The other two, one withdrew his; or both, in fact, withdrew them for reasons I don't know, prior to this.

The CHAIRMAN. Two of the ten that joined in the charges had withdrawn theirs?

Mr. ROSS. Yes, sir.

The CHAIRMAN. And they settled with you for \$500 each?

Mr. ROSS. Yes, sir.

The CHAIRMAN. Do you know whose money paid you?

Mr. ROSS. No; I couldn't tell you. I know the check was made out for \$4,000, and then it was broken into pieces.

The CHAIRMAN. You don't know whose money it was?

Mr. ROSS. No.

The CHAIRMAN. Or what account the check was on?

Mr. ROSS. No; I don't.

Mr. KENNEDY. Whether it was the company or the union's money?

Mr. ROSS. I couldn't tell you. All I know is that we felt we had been fighting it long enough, and now we were out, and if we continue to fight I certainly would not ever want to work for the A. & P. again, and that may have been the decision of the Board if we were to win, and we would go back to work for the A. & P., and "Well, let us take money while we can."

The CHAIRMAN. Thank you very much.

Mr. KENNEDY. I have just one question.

Did you ever know how many people there were in your group that were opposed to the Amalgamated other than in your own particular shop of 200 employees? Did you ever get any figures from any of the other employees?

Mr. ROSS. Keymen like myself from the different parts of the Bronx unit could give an estimate of 1,500 of us.

Mr. KENNEDY. Who were opposed, you mean?

Mr. ROSS. Yes. That poll would have been around December or January. I think it was December, 2 months after the contract had been signed.

Mr. KENNEDY. That was just in the Bronx or all over?

Mr. ROSS. In the Bronx unit. That covered part of Westchester and Dutchess County.

Mr. KENNEDY. How many employees would there be, 1,500 out of how many?

Mr. ROSS. Well, the company said in that election there were around 2,300 or 2,400.

Mr. KENNEDY. That is about 1,500 opposed out of 2,300 or 2,400?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. That was 2 months after the contract had been signed?

Mr. ROSS. Yes, sir.

Mr. KENNEDY. All right.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. James Conlon.

The CHAIRMAN. Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CONLON. I do.

TESTIMONY OF JAMES P. CONLON

The CHAIRMAN. State your name, and your place of residence, and your business or occupation.

Mr. CONLON. James Conlon, 121 LaSalle Street, New York City. I work for Beech-Nut Packing Co.

The CHAIRMAN. Do you waive counsel, Mr. Conlon?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. Mr. Conlon, you were employed by the A. & P. Co.?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. During what period of time?

Mr. CONLON. Between 1949 and 1953.

Mr. KENNEDY. During that period of time, had you worked actively for local 474?

Mr. CONLON. I became active in about 1949.

Mr. KENNEDY. That is 474 of the CIO?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. You worked in the Bronx unit; did you not?

Mr. CONLON. That is right.

Mr. KENNEDY. Were you aware of the fact that during the campaign of Local 474 of the CIO that the company was actively against this union and any union?

Mr. CONLON. Particularly, very antiunion.

Mr. KENNEDY. Can you give us some examples as to how you reached the conclusion they were antiunion?

Mr. CONLON. Well, of course, previous to that, about 1 or 2 months previous to any election, the supervisors would come around and take the men into the back of the store individually and speak to them, and explain the reason they didn't need a union, and why they didn't need a union and things of that kind, in that general area, and they would explain A. & P. was paying more without a contract than competitor chains were with one.

Mr. KENNEDY. Would you speak up a little louder. The company brought the employees into private conferences and told them that the union would do them no good?

Mr. CONLON. Right.

Mr. KENNEDY. And they were enjoying all of the benefits they could under the present arrangement?

Mr. CONLON. That is right.

Mr. KENNEDY. And they spoke actively against any union, is that right?

Mr. CONLON. They did.

Mr. KENNEDY. Did you know or were you aware of the fact they were signing a contract with the Meat Cutters?

Mr. CONLON. Absolutely not.

Mr. KENNEDY. When did you learn of that? Was it prior to or at the time they signed it or afterward.

Mr. CONLON. I found out after they signed it.

Mr. KENNEDY. Had you known about it at all?

Mr. CONLON. Absolutely not.

Mr. KENNEDY. How did you first learn that a contract had been signed?

Mr. CONLON. There was a letter, and we went to work one morning, and there was, let us say, a mimeographed letter sent out by Mr. Biefer telling us we were now members or we were now in the Amalgamated Meat Cutters' Union, Local 400.

Mr. KENNEDY. What was the reaction?

Mr. CONLON. There were lots of reaction, and shock, and anger, and amazement, and dumbfoundedness, and complete amazement all around. They were more or less pretty well taken back by the fact that after such a short period of time, after the results of the previous election, figuring there had been so many, and still they had 1,100 that had voted no union, and all of a sudden the company was throwing their loyalty back at them. After talking it down for so long, now they were pretty well put out by the fact that it was pushed at them by the company.

Mr. KENNEDY. You mean some 1,100 employees in the 1952 election had voted against having any union?

Mr. CONLON. Right.

Mr. KENNEDY. And now they found that the company, or they felt that the company had betrayed them by signing a contract with the union without informing them or allowing them to vote or have any voice in it whatsoever?

Mr. CONLON. Absolutely.

Mr. KENNEDY. Did they feel in fact that they had been betrayed by the company?

Mr. CONLON. Quite a few of them did feel that they had been betrayed by the company, and especially the local workers. Of course some of those 1,100 I think would have possibly voted our way except for the talks.

Mr. KENNEDY. What about the individuals who had voted for a union, local 474? What was your reaction?

Mr. CONLON. Well, of course, I figured it was a sellout job right away, and they were trying to avoid taking Paddy Reape's union, local 474 into the A. & P. and it seemed this was the lesser of two evils to them.

Mr. KENNEDY. What was the reaction to this new contract of the butchers who already had a contract?

Mr. CONLON. The butchers, their general reaction was one of being sold out, too. They felt that they had lost the 40-hour week as a result of this contract. That had been in all of the conversations at the stores, it had been that they were going for a 40-hour week, even if it meant going on strike.

Mr. KENNEDY. They had had a 45-hour week, and they thought that in this new contract they were going to get a 40-hour week?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. So they felt that they had been sold out or betrayed also?

Mr. CONLON. Right.

Mr. KENNEDY. So everybody was unhappy?

Mr. CONLON. Everybody.

Mr. KENNEDY. The whole store was unhappy?

Mr. CONLON. That is correct.

The CHAIRMAN. In other words, they had given up their expectation of a 5-hour shorter week in order to get about 10,000 members?

Mr. CONLON. I don't think the butchers themselves did, but I think that their leadership did.

The CHAIRMAN. I mean that had been imposed on them?

Mr. CONLON. Yes, sir.

The CHAIRMAN. Not that they did it voluntarily.

Mr. CONLON. That is right.

The CHAIRMAN. But they had been caught in the trade or in the arrangements whereby the union gained members but the men working gained no shorter hours?

Mr. CONLON. Absolutely.

The CHAIRMAN. That is what they had been fighting for?

Mr. CONLON. That is right.

Mr. KENNEDY. Now, what did the company do after they notified you you were all in the union and the union contract had been signed? Did they then attempt to get you to sign up in the union?

Mr. CONLON. Well, they started telling us we ought to sign the application card, and we had roughly a period of about 30 days in which to sign the card, and otherwise we would be forced to pay a \$65 initiation fee.

Mr. KENNEDY. Did the management tell you that you would have to pay \$65 initiation fee if you didn't sign the cards?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. So you would be out \$65 unless you signed the cards?

Mr. CONLON. That is right.

Mr. KENNEDY. And still people refused to sign cards?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. They felt that strongly about it?

Mr. CONLON. Absolutely.

The CHAIRMAN. Did those that were just carried in, did they pay the \$65 initiation fee?

Mr. CONLON. No, sir.

The CHAIRMAN. In other words, they brought them in without any initiation fee?

Mr. CONLON. That is right.

The CHAIRMAN. But if you hesitated about paying them within 30 days, or without signing up, you would have to pay \$65?

Mr. CONLON. That is correct.

The CHAIRMAN. To get in the union?

Mr. CONLON. Yes, sir.

The CHAIRMAN. There was a little bit of pressure being applied, wasn't there?

Mr. CONLON. Quite a bit.

Mr. KENNEDY. What were you doing? Were you working against the Meat Cutters?

Mr. CONLON. Yes, I was. Naturally the first day they found out about this contract, being I had been outspoken on behalf of 474, they came to me and asked me what they were going to do. We put in a call to local 474, the CIO, to find out what kind of tactics we should use.

Some of them were actually under the impression of walking off the job or wildcat striking or something of that nature, but on advice of 474 we didn't do that. But I would say they came to me and I told them I would find out what the best procedure would be under these conditions.

The only thing was that I followed them up when anybody would come in to try to get them to sign the application cards, and I would go around and explain to them why they shouldn't sign it in case there was too much pressure to force them to sign it, because the \$65 thing was bothering them a lot and they were afraid, and they told me they couldn't pay \$65, and it would be better to fall in line. But I managed to keep them all from signing the cards.

MR. KENNEDY. You were successful in keeping them from signing the cards?

MR. CONLON. Yes, sir.

MR. KENNEDY. Did the company take any action against you then personally?

MR. CONLON. Well, it wasn't until December that they actually showed any indication that they were going after me.

MR. KENNEDY. What did they do then to you?

MR. CONLON. They transferred me from the West Side of New York to Jerome Avenue and Fordham Road, and charged me double carfare to get to and from work.

MR. KENNEDY. This was a difficult place for you to get to work?

MR. CONLON. It was a little harder, and a little less accessible to me.

MR. KENNEDY. Did you ever inquire as to why you had been transferred?

MR. CONLON. Well, I inquired of my supervisor at that time, and I asked Mr. McNally why I was being transferred and he told me that there was a man with more seniority in the Bronx who wanted to work closer to home, and consequently I was the one chosen. But there were quite a number of men in the store that had less seniority than me that should have gone in preference to me.

MR. KENNEDY. Did you ever inquire of anyone else as to why you had been transferred?

MR. CONLON. Well, I had an idea of the reason I was transferred.

MR. KENNEDY. What was your idea?

MR. CONLON. My idea was that it was as a result of my union activity, and not because of seniority, and so I went to local 400. I just wanted to see what I could find out regarding it, and I went to local 400 and I spoke to their business agent, Tiny Cardiello, and I asked him who transferred me over to the Bronx, whether it was the company or the union.

He told me I was breaking their back in the stores on the West Side, and I was hindering their progress in getting the men signed up, and consequently I would get a chance to get my back broken, and how did I like it, and I would have my back broken more. I asked him if the union put me there or did the company put me here, and he said the union put me there.

MR. KENNEDY. So the union was the one who had you transferred?

MR. CONLON. They were the ones who had me transferred, according to the business agent.

In the meanwhile, the secretary-treasurer, Joe Calone, had come out and asked what I was doing there, and I explained I was up to find

out who got me transferred, and if it was the company, could the union have me transferred back. So I found out. When I found out the union did it, there was nothing that I could do about it except go down to the Labor Board and press charges of discriminatory action for my activity against them. So he turned around and said, "Whoever told you that the union put you over there?" and he asked me who told me that, and I told him Tiny did, and he said Tiny was only kidding me. I went down and I pressed charges, and I was sustained.

Mr. KENNEDY. The company was forced to put you back?

Mr. CONLON. Yes, sir; they put me back.

Mr. KENNEDY. When you were at the other place, did the company harass you at all?

Mr. CONLON. Well, the only time I really ran into much harassment was when we started with this deauthorization petition.

Mr. KENNEDY. That was a petition to try to get rid of the union?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. What steps did the company take against you then?

Mr. CONLON. Well, of course, we went around and we met a terrific amount of opposition when we went into the stores to get this petition signed for the deauthorization election. Managers would follow us around and try to chase us away from the clerks and tell us that they were busy and they had no time, and on two occasions managers said they were going to throw me out. I accepted their offer but they never took me up on it.

Mr. KENNEDY. Did they follow you around?

Mr. CONLON. Well they followed me around to try and hinder me.

Mr. KENNEDY. Did they follow you when you went to the men's room?

Mr. CONLON. When I was transferred over to the store in Jerome Avenue, I was under constant supervision on the register and I was being sent back and forth between the register and the floor, and when I used to go to the bathroom they would come in behind me and ask me if I was reading a newspaper, and it was kind of keeping close tabs on me, on all of my moves, and checking my timecard for time in and time out, and coffee breaks, and to see I didn't take any more than 10 minutes I was supposed to take.

Mr. KENNEDY. Did this ever happen to you before?

Mr. CONLON. No; I was completely on my own.

Mr. KENNEDY. Was there any question in your mind it was due to your union activities that all of this attention was devoted to you?

Mr. CONLON. There was no question in my mind that it was all due to my opposition to this union that they had brought in on top of us.

Mr. KENNEDY. You were active in the deauthorizations?

Mr. CONLON. Yes, sir; I was.

Mr. KENNEDY. Did you find that the other employees were fearful of the company's attitude in the deauthorization certificates?

Mr. CONLON. We ran into kind of a rough opposition there, because being it wasn't a secret ballot, actually it wasn't such that they had everybody named on the card, and no vote was a vote for the union to remain.

In the particular area where I was an observer for this deauthorization election, there was a car parked within a short distance of the polling place, meaning anybody approaching the polls would be recognized by the men. Some of them were even greeted by them, and so naturally the mere fact that they would approach the barbershop meant that they were going to vote against the union, and otherwise there would be no reason to go, because no vote was a vote for the union.

Mr. KENNEDY. Was the company actively against people voting in the election?

Mr. CONLON. Well, they were trying to get them to avoid going there, and they told them there was no point in pushing it.

Mr. KENNEDY. They were in favor of the Meat Cutters?

Mr. CONLON. Yes, because they had opposed our petition, and they had more or less—the store I was in was weak unionized and was more in favor of 400, because they had run into a situation in the store where the store was predominately Italian clerks, of Italian extraction, and I was supposed to be of Irish extraction and their claim was the only reason we wanted 474 was because Patty Reape was an Irishman and we wanted an Irishman, and they wanted Prosopo because he was Italian.

That was the kind of answer they were giving me. So I ran into a brick wall as to trying to overcome their attitude toward it. It was either indifferent, or “one union is as good as the other,” and “they were all crooks, you have to pay the other, and it doesn’t make any difference who you give your money to.”

So I was pretty well up against a stonewall and I couldn’t break much ice in that store.

Mr. KENNEDY. Do you have any explanation as to why the company had this turnabout of being antiunion at one time, and suddenly becoming very pronounion?

Mr. CONLON. Well, the only reason I could see——

Mr. KENNEDY. Let me change that, antiunion at one time, and pro meat cutters later on.

Mr. CONLON. Well, it seemed apparent to me that to begin with, when they used to talk to us about why we didn’t want a union or why we shouldn’t take the union, or why we should avoid the CIO, was because there was a personal gripe there between Patty Reape and Mr. Reynolds, that Patty Reape at one time said that he would get his union into the A. & P. sooner or later no matter how long it took.

They said it was nothing but a personal fight, and there was no reason why we should become involved in it, and it was one of those grudge fights, more or less, and that was the reason that Reape was so vehement about getting into the A. & P., and activities would be along that line.

Mr. KENNEDY. For what reason do you think that they changed from being against a union to being for the Meat Cutters?

Mr. CONLON. Well, the only thing I could figure was that they were ahead this way, ahead on the 40-hour week for one thing.

Mr. KENNEDY. Do you know if they made any secret agreement that the 45-hour week would continue for an extended period of time?

Mr. CONLON. I didn't hear about that. That was only hearsay that came later. I only heard that through other sources. But I didn't know whether it was true or not. I only read that from other sources.

Mr. KENNEDY. Did you hear from other sources that that was the reason that they brought the Meat Cutters in?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. That they had made this agreement between themselves?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. What happened to you after the deauthorization certificate election? Did you remain in the employment of the A. & P?

Mr. CONLON. No, in May of 1953, I resigned.

Mr. KENNEDY. Why?

Mr. CONLON. Well, the pressure was getting a little too much, and I saw we were slipping behind, besides which I could see that no matter what happened we hadn't a chance because they were supposed to be getting the support at that time. This was also in rumors, they were supposed to be getting support of the Teamsters Union, and of the Bakery Workers Union, so that if we opposed it they would go against us any way, and they wouldn't honor our referendums, as far as throwing this union off, and they wouldn't give us any assistance.

Mr. KENNEDY. So you finally resigned because of the pressure that had been placed on you?

Mr. CONLON. Yes, sir.

Mr. KENNEDY. That is all.

The CHAIRMAN. Are there any questions?

Thank you sir. Call the next witness.

Mr. KENNEDY. Mr. Donald Woisin.

The CHAIRMAN. Do you solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WOISIN. I do.

TESTIMONY OF DONALD WOISIN

The CHAIRMAN. State your name and your place of residence and your business or occupation.

Mr. WOISIN. Donald Woisin, and I live at 122 LaSalle Street, New York City, and I am a New York City fireman.

The CHAIRMAN. Do you waive counsel?

Mr. WOISIN. I waive counsel.

Mr. KENNEDY. The spelling of your name is W-o-i-s-i-n, and you are in the fire department up in New York at the present time?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. You used to work for the A. & P.

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. You were a grocery clerk in the A. & P. in the Bronx unit?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. And you started there in 1946?

Mr. WOISIN. 1947, in February.

Mr. KENNEDY. Now, you were active, were you, for the union up until 1952?

Mr. WOISIN. I——

Mr. KENNEDY. Excuse me, after 1952, you became active for a union?

Mr. WOISIN. That is right.

Mr. KENNEDY. Prior to that you had taken no interest in the union?

Mr. WOISIN. That is right.

Mr. KENNEDY. You had worked there but hadn't taken any interest one way or the other?

Mr. WOISIN. That is right.

Mr. KENNEDY. In 1952, were you approached about participating in union affairs?

Mr. WOISIN. Yes, by Mr. Cardiello.

Mr. KENNEDY. He is a business representative of local 400 of the Meat Cutters?

Mr. WOISIN. That is right.

Mr. KENNEDY. And he approached you about taking an interest in union affairs?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. And working for the union; is that right?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. What did he want you to do?

Mr. WOISIN. He wanted me to get the cards signed, and he said it would be a petition for an election.

Mr. KENNEDY. Did he bring you up to meet the president of the union?

Mr. WOISIN. He introduced me to Mr. Al Prospro.

Mr. KENNEDY. He is president of the union.

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. And he introduced you to him?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. What did they want you to do?

Mr. WOISIN. They wanted me to get these cards signed, and informed me it would be for an election in the union. At the time I didn't know that you had to wait 12 months because we had already had one election, and they said that we could get another election right away, and so on that basis I went out and I got 15 cards signed, and there was quite a bit of opposition.

Mr. KENNEDY. You were going around and trying to get these cards signed in order to get an election?

Mr. WOISIN. That is right.

Mr. KENNEDY. That is what was told to you?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. And did you go around and tell people if they signed the cards that they could get an election?

Mr. WOISIN. That I did.

Mr. KENNEDY. Did you go around to a number of different stores?

Mr. WOISIN. Yes, sir; I did.

Mr. KENNEDY. Was there a good deal of opposition even to people signing those cards?

Mr. WOISIN. There was.

Mr. KENNEDY. But those people who signed the cards signed them with the understanding that they were going to have an election in the store?

Mr. WOISIN. They did.

Mr. KENNEDY. That was because of what you told them, is that right?

Mr. WOISIN. That is right, and that is what I understood myself.

Mr. KENNEDY. What happened then?

Mr. WOISIN. Well——

Mr. KENNEDY. How many cards did you get signed?

Mr. WOISIN. I got about 15 cards signed.

Mr. KENNEDY. How many people did you approach?

Mr. WOISIN. I figure I approached about 50 people.

Mr. KENNEDY. You got 15 cards after approaching 50 people?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. You only got 15 names?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. That was over a period of several months?

Mr. WOISIN. Yes, sir.

(At this point the following members were present: Senators McClellan and Church.)

Mr. KENNEDY. And even those 15 signed with the understanding that this was for an election?

Mr. WOISIN. That is right.

Mr. KENNEDY. Then were you requested after you brought these cards in to get just the names and addresses of some of the employees?

Mr. WOISIN. Yes, sir. I got a phone call and they wanted these cards up there, and then they said to go to the bookkeeper or the timecards and take the names off the timecards and send them up a list of the names of fellows that worked in the store that I was in.

Mr. KENNEDY. Who told you to do that?

Mr. WOISIN. Mr. Cardiello.

Mr. KENNEDY. That would be just the names and addresses of the individuals?

Mr. WOISIN. That is right.

Mr. KENNEDY. Not their signatures?

Mr. WOISIN. That is right.

Mr. KENNEDY. That was after you delivered just these 15?

Mr. WOISIN. That is right.

Mr. KENNEDY. Then they told you to go back and get the names and addresses?

Mr. WOISIN. That is right.

Mr. KENNEDY. Tell us what happened.

Mr. WOISIN. Mr. Cardiello came down to the store I was working in, 344 Amsterdam, and picked up the names that I had gotten there, the 20 names out of the store. That was the end of that until we received notice that we were in the union from the A. & P. I went and called Mr. Cardiello up and asked him how come they signed a contract. He said, "This is the way it was," and I said, "You promised an election," and he said, "Don't worry about it." So I went out and talked to the men that I had gotten the cards signed and told them I would do everything I could do to undo the wrong that was brought up with them. That is why I joined up with Paddy Reape.

Mr. KENNEDY. You felt you had misled these people?

Mr. WOISIN. That is right.

Mr. KENNEDY. Because you had been misled?

Mr. WOISIN. That is right.

Mr. KENNEDY. You expected an election and the election never occurred?

Mr. WOISIN. That is right.

Mr. KENNEDY. You more or less just ended up in the union?

Mr. WOISIN. That is right.

Mr. KENNEDY. The names and addresses that you took off of the cards, do you know if they were taken off cards and transferred to other cards and submitted as genuine cards?

Mr. WOISIN. No, sir; I never saw anything about that.

Mr. KENNEDY. Mr. Chairman, we will have testimony that he did go out and get the names and addresses of these individuals and we will have some more testimony on what was done with those names and addresses at a later time.

As far as you were concerned, the cards that you did receive were obtained under misleading or fraudulent circumstances?

Mr. WOISIN. That is right.

Mr. KENNEDY. And you were an innocent participant, is that right?

Mr. WOISIN. That is right.

Mr. KENNEDY. How many additional names did you turn in that were not on signed cards?

Mr. WOISIN. About 20.

The CHAIRMAN. 20?

Mr. WOISIN. Yes.

The CHAIRMAN. There were about 15 signed cards?

Mr. WOISIN. That is correct.

The CHAIRMAN. Then you supplied about 20 names of other employees?

Mr. WOISIN. That is right.

The CHAIRMAN. Where did you get those names?

Mr. WOISIN. Off the timecards on the boards. Everybody's are right there. Everybody can see them, customers and all.

The CHAIRMAN. Off of the timecards?

Mr. WOISIN. That is right.

The CHAIRMAN. What did they say they wanted to do with those names?

Mr. WOISIN. He didn't say anything. He just took them. I never saw them or anything after that.

The CHAIRMAN. You don't know what he did with them?

Mr. WOISIN. No, sir.

The CHAIRMAN. You don't know why he wanted them?

Mr. WOISIN. No, sir.

Mr. KENNEDY. What was the reaction of the people when they found they were in the union?

Mr. WOISIN. Quite put out. Toward me, they said I had done wrong by them in telling them that there was going to be an election.

I tried to explain that I was more or less under false pretenses, too, and I told them I was going to try to help undo the wrong that was done.

Mr. KENNEDY. Then did you work actively against the Meat Cutters?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. What did you do?

Mr. WOISIN. I went and I met this Tom Dempsey who told me I could work through 474 to help them out, so I went down and met Mr. Reape and I started in the campaign to help fight the contract that was signed and to try to get this whole thing straightened out.

Mr. KENNEDY. Did you tell the Butchers that you were going to work against them?

Mr. WOISIN. Yes, sir, I met them in the street and——

Mr. KENNEDY. You told them, because of what they had done to you and to your people, you were going to work against them?

Mr. WOISIN. Yes, I did.

Mr. KENNEDY. Did you begin to try to get that union kicked out of the unit?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. Did the company approach you to pay the dues, to pay your dues to the Butchers?

Mr. WOISIN. Not me, but other members they did.

Mr. KENNEDY. Did they ever approach you to sign a membership card in the union?

Mr. WOISIN. The manager of the store had told me to sign up, that it would be wise to do so.

Mr. KENNEDY. What do you mean wise to do so?

Mr. WOISIN. Well, I don't know how he meant it, but it was best for my own good, I guess, the fact that I was married and all like there, if I stayed out, we would have been out of a job, which eventually I did end up with, out of a job.

Mr. KENNEDY. Did you sign up?

Mr. WOISIN. No, sir.

Mr. KENNEDY. Did you pay any dues?

Mr. WOISIN. I signed up in the union when Mr. Reape told us it would be wise to sign the card and pay the \$2 initiation. But after that I did not pay nothing else.

Mr. KENNEDY. Did you pay the \$2?

Mr. WOISIN. Yes, sir.

Mr. KENNEDY. Did you write anything on the card?

Mr. WOISIN. "Under protest."

Mr. KENNEDY. You wrote "under protest" on the card?

Mr. WOISIN. Yes, sir, we all signed it.

Mr. KENNEDY. Did everybody write "under protest"?

Mr. WOISIN. Yes. We had a big campaign telling everybody when they signed the cards to sign "under protest."

Mr. KENNEDY. Were you subsequently discharged?

Mr. WOISIN. I was. I was brought to a hearing with eight other people by the Labor Department, and we were laid off.

Mr. KENNEDY. That was because you refused——

Mr. WOISIN. We refused to pay the dues.

Mr. KENNEDY. And that was the end of it?

Mr. WOISIN. That was the end of that.

Mr. KENNEDY. You never worked for A. & P. again?

Mr. WOISIN. No, sir.

Mr. KENNEDY. Just so we get it clarified, when you were having these cards signed, what you expected would be an election, and that you could vote for any union, is that right?

Mr. WOISIN. That is right. All the people, like the company, 474, 1,500, they would all be on the ballot and we could choose whichever one we wanted, whether we wanted a union, or whether we wanted the union we would like to have had.

Mr. KENNEDY. This would be a complete ballot of all the participants?

Mr. WOISIN. That is right. Like you would vote in a general election.

Mr. KENNEDY. And instead you ended up with the Meat Cutters?

Mr. WOISIN. That is right. The contract was signed and there was nothing we could do about it.

Mr. KENNEDY. Did you feel that you had been betrayed by this?

Mr. WOISIN. Yes, sir, I was.

Mr. KENNEDY. Could we put this card in, Mr. Chairman?

The CHAIRMAN. I hand the witness a photostatic copy of a card, a form; it is not filled out. I will ask you to examine this card and state if you identify it, and, if so, state what it is.

(The document was handed to the witness.)

Mr. WOISIN. This is the card that I took around to have the membership sign under the conditions that we would get an election.

The CHAIRMAN. That is the kind of a card they signed thinking it would get them an election?

Mr. WOISIN. That is right.

The CHAIRMAN. That card may be made exhibit No. 2.

(The document referred to was marked "Exhibit No. 2" for reference and will be found in the appendix on p. 11548.)

Mr. KENNEDY. Would you read the card?

Mr. WOISIN. It says:

In accordance with my legal rights guaranteed by the National and State Labor Relations Act I hereby designate the joint chainstores organizing committee of Local 400 and 489 of the A. F. of L. as my agent for collective bargaining.

Mr. KENNEDY. What did you think that meant, or did you know what it meant?

Mr. WOISIN. I didn't know what it meant at the time. I found out afterwards it was all over, that they said this was supposed to be a legal card to designate them to bargain with the A. & P.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. Thank you very much.

The committee will stand in recess until 10 o'clock in the morning and resume hearings in this room.

(Whereupon, at 4:05 p. m., the hearing was recessed, to reconvene at 10 a. m. Friday, May 16, 1958. At the recess, the following members were present: Senators McClellan and Church.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, MAY 16, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Frank Church, Democrat, Idaho.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will come to order.

(Members of the committee present at the convening of the session were Senators McClellan and Church.)

Mr. KENNEDY. Mr. Douds.

The CHAIRMAN. Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DOUDS. I do.

TESTIMONY OF CHARLES T. DOUDS

The CHAIRMAN. State your name, and your place of residence, and your business or occupation.

Mr. DOUDS. My name is Charles T. Douds, D-o-u-d-s. My residence is 598 Richland Terrace, Englewood, N. J. I am regional director of the National Labor Relations Board for the 22d region, in Newark, N. J.

The CHAIRMAN. How long have you held that position, Mr. Douds?

Mr. DOUDS. Since last September.

The CHAIRMAN. How long have you been with the National Labor Relations Board?

Mr. DOUDS. Since May 6, 1937.

The CHAIRMAN. In what capacity prior to your present position?

Mr. DOUDS. Prior to my present position, I was, for 15 years, regional director of the National Labor Relations Board for the second region in New York City.

The CHAIRMAN. You have been a regional director for about 16 years?

Mr. DOUDS. Well, before for 4 years in Pittsburgh.

The CHAIRMAN. About 20 years?

Mr. DOUDS. That is right.

The CHAIRMAN. Do you have counsel?

Mr. DOUDS. No, I do not.

The CHAIRMAN. You waive counsel. All right, I see some other gentlemen accompanying you. Are they just advisers?

Mr. DOUDS. I have Mr. Benjamin Naumoff, the distinguished chief examiner of the New York office of the National Labor Relations Board, and Mr. Clement Cull, an experienced field examiner from the Newark office of the National Labor Relations Board.

The CHAIRMAN. I assume they will be consulting with you as you testify and if we find it necessary to have them testify they can be sworn later.

Mr. KENNEDY. Mr. Douds, I believe, has a prepared statement which will not take too long, Mr. Chairman.

The CHAIRMAN. It was submitted within the rules?

Mr. KENNEDY. Yes.

The CHAIRMAN. Do you have extra copies of it?

Mr. KENNEDY. Yes.

The CHAIRMAN. You may proceed with your statement, Mr. Douds.

Mr. DOUDS. My name is Charles T. Douds. I was born on a farm in Indiana County in western Pennsylvania and lived the early part of my life there.

I am a graduate of Pennsylvania State University and have a graduate degree from Columbia University.

I am regional director for the 22d region of the National Labor Relations Board which was established in September 1957, and includes the 12 northern counties in the State of New Jersey with an office in the City of Newark.

From September 1942 until August 1957, I was regional director for the second region of the board which, during that period, covered eastern New York State, including the metropolitan area of New York City, western Connecticut, and northern New Jersey.

During 1952 to 1954 certain cases about which I have been requested by the committee to make a statement, were investigated by my staff and acted upon by myself as regional director.

These cases involve the Great Atlantic & Pacific Tea Co., herein referred to as A. & P., the Amalgamated Meat Cutters and Butcher Workmen of North America, AFL, referred to as Meat Cutters, local 1500 of the Retail Clerks International Association, AFL, referred to as Retail Clerks, and locals 262 and 474 of the Retail, Wholesale, and Department Store Union, CIO, referred to as Retail Wholesale, CIO.

It should be kept in mind that the employees we are concerned with in these cases are only the employees in the grocery departments of retail stores.

For some time prior to 1952, the employees in the meat departments had been covered by contracts between the Meat Cutters Union and A. & P.

Altogether we are concerned here with 33 cases which include 26 unfair labor practice charges, 6 petitions for representation, and 1 petition to revoke a union shop contract provision.

These cases concern approximately 10,000 employees in over 400 stores serviced by 5 warehouses located in the Bronx, Brooklyn, Garden City in New York State, and in Paterson and Newark, N. J., in the eastern division of A. & P.

In broad outline, the story of these cases is as follows:

On March 10, 1950, a petition was filed by Retail Wholesale, CIO, for a unit of grocery and warehouse clerks in stores serviced by the Bronx warehouse.

Retail Clerks intervened and an election was held on September 27, 1950. Neither union received a majority. The tally of ballots, first Bronx election, showed the following results: Eligibles, 2,700; Retail Wholesale, 506; Retail Clerks, 266; neither, 1,672; total valid ballots, 2,044; challenged ballots, 58.

Objections were filed by Retail Wholesale alleging improper imposition of a "no solicitation" rule by the company and sponsorship of an antiunion petition by company supervisors.

After investigation, I issued a report on March 29, 1951, recommending to the Board that the election be set aside. On December 7, 1951, the Board issued an order—based on my recommendation—setting aside the election.

A second election was held on March 19, 1952, which neither union won. The tally of ballots, second Bronx election, showed the following: Eligible, 2,200; Retail Wholesale, 772; Retail Clerks, 226; neither, 1,133; valid votes, 2,131; challenged ballots, 2.

On October 11, 1951, a petition for an election was filed by the Retail Clerks, AFL, covering the employees in the grocery departments of the stores serviced by the Brooklyn warehouse.

Local 474 of Retail Wholesale, CIO, intervened and only these two unions were on the ballot in an election conducted on January 9, 1952. Neither union received a majority in this election. The tally of ballots, first Brooklyn election, showed the following: Approximately eligible, 1,513; Retail Clerks, 262; Retail Wholesale, 40; neither union, 1,106; challenged ballots, 54. Retail Clerks filed objections to the election alleging that certain conduct by the company had affected the results of the election.

As regional director, I recommended that the objections be overruled on the basis of the then existing Board policy in such matters—*Denton Sleeping Garment* (93 N. L. R. B. 329).

That policy provided that preelection conduct could not be used as a basis for objections after the election where the objecting party was aware of the conduct and made no protest before the election.

My recommendation was appealed by the Retail Clerks and in December 1952 the Board changed its policy and found that the conduct complained of did affect the results of the election, set aside the election, and ordered a new election (101 N. L. R. B. 1118).

In October 1952, while the objections to which I have just referred were pending before the Board, A. & P. and the Meat Cutters entered into a private agreement for a card check among the employees in

the grocery departments of the A. & P. stores served by the Bronx, Brooklyn, and Garden City warehouses.

The agreement provided that Attorney Joseph O'Grady, acting as arbitrator, should check the membership cards of the Meat Cutters against the A. & P. payrolls for the stores serviced by these warehouses. The results of the card check were as follows:

In the Bronx unit, 1,526 employees of a total of 2,562 were found to have signed cards for the Meat Cutters. In the Brooklyn unit, 1,047 employees of a total of 1,687 had signed, and in the Garden City unit, 1,071 of 1,463 had signed Meat Cutters cards.

This card check was completed at 10 p. m. on October 10, 1952, and a notarized report was handed to the parties that same night by Mr. O'Grady.

The Board had nothing to do with this card check. Immediately thereafter, on the following day, October 11, 1952, A. & P. and the Butchers District Council of New York and New Jersey, affiliated with the Meat Cutters and acting on behalf of its locals 342, 400, and 489, signed contracts covering the stores serviced by the Bronx, Brooklyn, and Garden City warehouses.

It should be emphasized that at this time the Board had no information whatever about either the card check or the execution of these agreements. It should be noted that these contracts contained union shop membership provisions requiring the employees to become members of the Meat Cutters.

About a month after these contracts were signed, beginning on November 13, 1952, Retail Clerks, Retail Wholesale filed charges against A. & P. and the Meat Cutters alleging that the contracts agreed to on October 11, 1952, were signed at a time when the locals of the Meat Cutters did not represent an uncoerced majority of the employees and that the contract was signed at a time when there was pending before the Board a representation case covering the employees in the Brooklyn unit.

These charges also alleged that the employees were forced through threats and intimidation by A. & P. supervisors to sign cards for locals of the Meat Cutters.

Investigation of these cases was begun but was stopped by the withdrawal of the charges to permit the Brooklyn election to be run again.

On November 24 and 25, another card check was conducted by Attorney O'Grady covering the grocery department employees in the retail stores served by the Newark and Paterson, N. J., warehouses.

Immediately after its completion on the 25, Mr. O'Grady submitted a report to the parties as follows: In the Newark unit, 1,701 employees of a total of 2,579 were signed and in the Paterson unit, 1,087 employees signed out of a total of 1,762.

A few days later, on December 1, 1952, a contract covering the New Jersey stores and containing similar provisions to that signed in New York on October 11 was executed by the parties.

On February 19, 1953, 2 elections were conducted on the same day in this series of cases. One was the second election in the Brooklyn unit which had been ordered by the Board on the basis of the objections by the Retail Clerks.

In this election, local 1500 of the Retail Clerks received a majority and was certified as the bargaining agent for the employees in the Brooklyn unit on March 2, 1953.

Tally of ballots, second Brooklyn election: Eligible, 1,462; Retail Clerks, 987; Retail Wholesale, 125; neither, 190; valid votes, 1,302; challenged, 70.

On the same day, February 19, an election was conducted among the employees in the Bronx unit in which they voted on a proposal to remove from the contract between A. & P. and locals 400 and 489 of the Meat Cutters the union shop provision contained in the contract signed on October 11, 1952.

Here it should be noted that the Taft-Hartley Act requires that a majority of all eligible voters approve a proposition to rescind a union shop provision.

While the proposition did receive a majority of those who voted by a vote of 979 to 172, it did not receive a majority of those eligible to vote which total 2,334 in the Bronx unit. A majority of the unit necessary was 1,168.

Since the proposition failed to carry, the Meat Cutters continued to enforce their contract in the Bronx unit including the union shop clause requiring membership in that organization.

Referring again to the Brooklyn unit, the Retail Clerks requested that the company meet with it for the purpose of bargaining. The company, through its attorney, about March 9, refused to meet with the Retail Clerks, contending that the Board's certificate was invalid. On March 13, 1953, charges were filed against A. & P. by the Retail Clerks, AFL, alleging refusal to bargain.

Eleven days later, on March 24, a complaint based on these charges was issued against the company. About April 15, local 1500 of the Retail Clerks called a strike against the employer in the Brooklyn unit. On April 24, the strike was settled by an agreement of the unions involved under which local 1500, Retail Clerks, agreed to recognize the contract of local 342 of the Meat Cutters for the employees in the Brooklyn unit for the remainder of the contract period until August 28, 1954. Thus, in effect, Retail Clerks abandoned its certification.

The charges filed by Retail Clerks, AFL, by Retail Wholesale, CIO, and by various individuals, alleged that the contracts signed between Meat Cutters and A. & P. on October 11, 1952, for the Brooklyn and Garden City units and on December 2, 1952, for the Newark and Paterson, N. J., units, were illegal. These charges were investigated and on May 27, 1953, 3 additional complaints were issued against A. & P. and the Meat Cutters.¹

¹ See the following table:

Date of complaint	Case No.	Filed by—	Unit	Alleging
Mar. 24, 1953.....	2-CA-3918	Retail clerks.....	Brooklyn.....	8 (a) (1), (5).
May 27, 1953.....	2-CA-3071	do.....	Garden City.....	8 (a) (1), (2), (3).
Do.....	2-CA-2930	Retail wholesale....	New Jersey.....	8 (a) (1), (2), (3).
Do.....	2-CA-3035	Many individuals....	Brooklyn.....	8 (a) (1), (2), (3).

One of these complaints was based on charges filed by 960 individual A. & P. employees in the Brooklyn unit. All of these four complaints were consolidated for hearing.

Thereafter, all the parties to the cases got together and worked out among themselves a proposed settlement agreement to dispose of the issues involved in the four complaints just referred to. The settlement proposals provided that for a period of 30 days no force or effect would be given to the union-shop contracts that had been signed by A. & P. and the Meat Cutters in October.

During this 30-day escape period any employee who desired to withdraw his membership from the Meat Cutters could do so by giving written notice to A. & P. and the appropriate local of the Meat Cutters. Under the proposed settlement, each employee was required to send a registered letter to both A. & P. and the Meat Cutters local giving notice of his desire to terminate his membership. The proposed settlement also provided that A. & P. and the Meat Cutters would notify the employees that they would not unlawfully interfere with, restrain, coerce, or discriminate against employees in the exercise of the rights guaranteed them under the Taft-Hartley Act. And finally, the proposed settlement provided for withdrawal of the complaints by the regional director and his approval of the withdrawal of the charges. As regional director, I submitted a memorandum to the General Counsel, George J. Bott, recommending that the proposed settlement agreement not be approved.

Thereafter I was directed by the Office of General Counsel Bott to accept the proposed settlement agreement. Notices setting forth the terms of the settlement were posted in the retail stores serviced by the warehouses in Brooklyn, Garden City, Newark, and Paterson,² informing the employees of their rights under the settlement agreement and they were assured that they would not be subject to restraint or coercion if they exercised their right to withdraw from the Meat Cutters.

The files reveal that 128 employees of approximately 6,300 in the 4 units concerned availed themselves of the escape privilege provided by the settlement agreement and withdrew their membership from the Meat Cutters.

Thereafter between January and April 1954, charges were filed alleging that the company and the Meat Cutters restrained and coerced a number of the 128 employees who had withdrawn under the settlement agreement of the previous October. They also alleged that 9 of these employees were discharged illegally by A. & P. On investigation, 8 of these 9 cases were found to be without merit and were dismissed. The ninth case was settled by the company when the employee decided not to seek reinstatement and accepted a lump-sum settlement for back pay lost as a result of her loss of employment and thereupon withdrew her charge.³

On June 15, 1954, Retail Clerks filed petitions in three cases for elections in the Bronx, Brooklyn, and Garden City units.⁴ On August 3, 1954, the petitioner (Retail Clerks) A. & P. and the Meat Cut-

² It should be noted that the Bronx unit was not involved in the four complaints issued against A. & P. and the Meat Cutters in March and May 1953.

³ 2-CA-3540; 2-CB-1073 filed December 29, 1953, by Ann McKenna.

⁴ 2-RC-6898, 6899, 6900.

ters signed an agreement ⁵ for an election to be held in one unit consisting of the employees in the grocery departments of the stores serviced by the Bronx, Brooklyn, and Garden City warehouses.

This election was conducted on September 15, 1954, with the following results: Of about 6,500 eligible voters, the Meat Cutters received 2,409 votes, the Retail Clerks 1,942 votes, of a total of 4,482 ballots cast.

Retail Clerks filed objections to the election on 4 points, but investigation revealed that only 1 of the 4 was supported by any evidence whatever. It was found that a district supervisor of A. & P., having 10 stores under his supervision, among whose employees were 162 eligible voters, visited those stores on the morning of the election and spoke to less than half of the eligible employees in small groups.

As regional director I concluded that the objections did not raise a substantial issue with respect to conduct that would affect the results of the election on the ground that since 6,500 employees were concerned and since no more than 80 employees were affected, in the entire context of the election this activity was not sufficient to set the election aside.

I so recommended to the Board in a report on objections issued on December 3, 1954. Local 1500 appealed my recommendation and on February 15, 1955, the Board, in a split decision of 2 to 1, found merit to the objections and ordered a new election on the basis that the statements made by the supervisor violated the Peerless Plywood rule against electioneering speeches within 24 hours before an election. Chairman Guy Farmer, in a dissenting opinion, agreed with my view concerning the objections.⁶

On March 13, 1955, the new election ordered by the Board was held with the following results: Of 6,300 eligibles, the Meat Cutters received 2,905 votes, the Retail Clerks 1,883. Since the Meat Cutters received a clear majority, certification was issued to the Meat Cutters on March 24, 1955, certifying them as the bargaining agent for the employees in the grocery departments of stores serviced by the Bronx, Brooklyn, and Garden City warehouses.

The CHAIRMAN. Do you have any further comments?

Mr. DOUDS. Well, there are many comments that could be made, Mr. Chairman.

The CHAIRMAN. You have had quite a problem with these A. & P. Stores; haven't you?

Mr. DOUDS. Yes. That is right. There was a problem over a period of about 4 years.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. I would like to ask you a few questions to develop some of the facts in your statement.

Now, just going back, local 1500's election in the Brooklyn unit was on January 9, 1952?

Mr. DOUDS. Yes, sir.

Mr. KENNEDY. Then there was an appeal from that election?

Mr. DOUDS. January 19, I think.

Mr. KENNEDY. It was January of 1952?

Mr. DOUDS. Yes, sir.

⁵ Stipulation for Certification Upon Consent Election.

⁶ 111 N. L. R. B. 623 issued February 15, 1955.

Mr. KENNEDY. There was an appeal from that election?

Mr. DOUDS. That is right.

Mr. KENNEDY. And during the period of that appeal, on October 11, 1952, a contract was signed?

Mr. DOUDS. Yes.

Mr. KENNEDY. Between the Meat Cutters and A. & P.?

Mr. DOUDS. That is right.

Mr. KENNEDY. In your opinion, was the signing of that contract legal or illegal?

Mr. DOUDS. The signing of that contract was in my opinion clearly illegal.

Mr. KENNEDY. On what do you base that opinion?

Mr. DOUDS. Well, my statement applies particularly to the Brooklyn unit, and I think would apply, or might also apply to some extent, to the other units, since eventually they were consolidated into one unit. The reason, the first reason, that that contract was illegal was that there was in process a case before the Board to determine the representative of these employees, and while that case was going on, A. & P. and the Meat Cutters took it upon themselves to determine that question. Under the Midwestern Piping decision of the Board, this was a clear violation of the law.

Mr. KENNEDY. The signing of the contract with the Meat Cutters at the time that this appeal was going on, is that right?

Mr. DOUDS. That is right.

Mr. KENNEDY. Was this a surprise to you, that the contract was signed?

Mr. DOUDS. Yes, absolutely. We knew nothing about it until some time afterward.

Mr. KENNEDY. Did you receive any complaints from any of the employees of A. & P. Co.?

Mr. DOUDS. We did, quite a large number.

Mr. KENNEDY. About the signing of the contract?

Mr. DOUDS. That is right.

Mr. KENNEDY. Had you known that these negotiations for the contract were going on?

Mr. DOUDS. We did not.

Mr. KENNEDY. You knew nothing about it?

Mr. DOUDS. No.

Mr. KENNEDY. What was your feeling when you were told that the contract had been signed?

Mr. DOUDS. Well, my feeling was one of surprise and disapproval of the action.

Mr. KENNEDY. What were the reports that were made to you by the employees of the A. & P. Co.?

Mr. DOUDS. Well, the employees were naturally confused because they knew that there was an election proceeding in process, and at the same time they were being asked to pay initiation fees and dues and to become members of the Meat Cutters who had not been on the ballot in the election, and who had not shown any interest in the election.

So the employees were calling our office to find out whether or not they should pay these initiation fees and dues.

Mr. KENNEDY. Did any of them report that they had been coerced into signing up with the Meat Cutters?

Mr. DOUBS. Well, later, when we made our investigation of the unfair labor practice cases, we discovered a considerable amount of evidence of coercion of employees into membership and into signing cards prior to the signing of the contract on October 11.

Mr. KENNEDY. This was coercion on whose part?

Mr. DOUBS. Well, it was primarily on the part of the company supervisors, of course.

Mr. KENNEDY. You say that this coercion took place even prior to the time the contract was signed?

Mr. DOUBS. Yes.

Mr. KENNEDY. Do you mean that coercion was used by company representatives to get people to sign these cards which would make the Meat Cutters their bargaining representative?

Mr. DOUBS. That is correct. Our evidence indicated that there was quite a considerable amount of coercion in connection with signing these cards.

Mr. KENNEDY. As I understand, there was coercion after that to get the people to start paying their dues into the union?

Mr. DOUBS. That is correct.

Mr. KENNEDY. That would take place, would it, under the union clause in the contract?

Mr. DOUBS. The union shop provision; yes.

Mr. KENNEDY. That the individual employee would have to pay his dues and join the union, or otherwise he would lose his employment?

Mr. DOUBS. That is right.

Mr. KENNEDY. Do you have any examples of some of the pressure that was used by the company on the employees that they should sign these cards, making the Meat Cutters their bargaining representative?

Mr. DOUBS. Yes. I have some excerpts from affidavits which were taken by our men in their investigation of these cases. The first ones have to do with the case filed—understand there were charges filed shortly after the contract was signed in November, but those charges were withdrawn in order to permit us to run the election in January. Then later new charges were filed, and it was not until after the new charges were filed that we made our full investigation.

I have here an affidavit from an employee, from which I will read an excerpt. This is an employee in a store in Astoria, N. Y. I am quoting from the affidavit.

I was out of the store when Cornelius, from 342—

that is local 342 of the Meat Cutters—

came around to sign up employees. This was definitely in the first week of October. But I came in the next day and the bookkeeper said to me "Sign this card." I asked her "What is it?" She said, "This is for the union."

I said, "What union?" She said, "For the Meat Union, 342." I said, "I didn't join the union." She said I have to fill it out because if I didn't, I would have to pay a \$50 fine. So I went to the manager. I said "What in hell is going on here? All these years you are against the union and all of a sudden you send us cards saying to join the union." Stuart, the manager, told me if I didn't want to pay the \$50 to fill out the card.

The second one: This is an employee in a store in Brooklyn.

Some time in October 1952 somebody from local 342 asked me to sign an application blank. Before I signed it, I asked the manager, Mr. Mann, who was standing by, what happens if I didn't sign it. He said, "Do you want your job?" I said, "Yes." "Then," he said, "sign it."

This is an employee in a store in Ozone Park, Long Island.

Some time in September 1952, the assistant manager, Gene Smith, told me that a union was going to get in, and gave me a 342 card. He said that if I signed up I wouldn't have to pay \$50.

and I have more.

Mr. KENNEDY. Which clearly shows that even prior to the signing of the contract on October 11, the company was actively urging its employees to join the Amalgamated Meat Cutters?

Mr. DOUDS. Yes. I think the evidence shows a widespread campaign by the company along with local 342 to get cards signed, and these were the cards that were checked in the card check.

Mr. KENNEDY. As I understood one of the affidavits that you quoted from there, there is a definite implication that if they didn't join the union, they would be fired.

Mr. DOUDS. That is right.

The CHAIRMAN. They said "What happened," and they said "Do you want your job," and if he said "Yes," they said, "Well, sign that card."

Mr. DOUDS. Yes.

The CHAIRMAN. And that was management.

Mr. DOUDS. Yes. That is what we call coercion.

The CHAIRMAN. I call it that, too.

Mr. KENNEDY. Even if the contract had been legal on October 11, this was prior to the time the union shop clause had come into effect; isn't that right?

Mr. DOUDS. That is right.

Mr. KENNEDY. This was prior to October 11?

Mr. DOUDS. Yes. Yes.

Mr. KENNEDY. You say that this contract that was signed, then, on October 11, 1952, was an illegal contract?

Mr. DOUDS. That is correct.

Mr. KENNEDY. You had ruled against the appeal of local 1500. What if your ruling had been sustained and the National Labor Relations Board down here had ruled that the cause of action of local 1500 was not a good cause of action?

Would the contract then have been illegal?

Mr. DOUDS. In my opinion, the contract would still have been illegal, for the reason that the cards which were checked in the card check were—a very substantial proportion of them, I believe—obtained through coercive methods.

The CHAIRMAN. At that point, may I inquire how you make a card check? What are you supposed to do, the man who checks the cards?

Mr. DOUDS. He gets from the company a payroll list, giving the names of the employees, and this list supposedly being a correct certified list of the employees on the payroll of the bargaining unit at that time. Then the person who makes the card check takes the membership cards and checks them one at a time against this payroll. If he runs across any cards that are not signed properly, that for one reason

or another he feels are not an adequate indication of union membership or a desire to join the union, he puts those cards aside, and does not count them.

The CHAIRMAN. What precaution is taken to make certain that the card was signed by the employee? If it is just a card count and not a card check, that would open the way for terrific fraud; would it not?

Mr. DOUDS. Well, I think it did in this case. That is, I think that—

The CHAIRMAN. Did you find in this case that a lot of cards were signed by other than the employee himself?

Mr. DOUDS. I have no knowledge of that, Mr. Chairman.

The CHAIRMAN. Well, was that kind of a check made to determine that?

Mr. DOUDS. So far as I know, and on the basis of our investigation, I do not believe that any check was made to determine the validity of these cards. Of course, in my view, a card that is signed under coercion, that is, with a threat of loss of job or a threat of having to pay \$50 instead of \$2 for an initiation fee, I do not believe is a legitimate card signed by the free will of the employee concerned.

The CHAIRMAN. We agree about that. But how about a card not even signed by the employee? That is a flagrant fraud. I am trying to determine whether in your agency in these card checks, before you honor a union as a bargaining agent, where it is based on cards, signed cards, those cards are checked for the validity of the signature of the employee.

Mr. DOUDS. You are speaking of our procedures now, Mr. Chairman?

The CHAIRMAN. Well, is this card check not made under your procedure?

Mr. DOUDS. We had nothing whatever to do with this card check.

The CHAIRMAN. I see. But when you make a card check—do you make card checks under your procedures?

Mr. DOUDS. Yes. When a union files a petition for an election, under the rules the union must make a showing that 30 percent of the employees have signed cards to that union.

The CHAIRMAN. That is for an election?

Mr. DOUDS. Yes; just to get an election. If we have any indication that these cards were not signed freely by the individual employee, then we go back and investigate that matter.

The CHAIRMAN. Let me see, now. Does the National Labor Relations Board issue bargaining representation certificates on the basis of a majority signing cards?

Mr. DOUDS. We do not.

The CHAIRMAN. You call an election when they get beyond 30 percent?

Mr. DOUDS. That is right.

The CHAIRMAN. The card representation is obtained as between the employer and the union if he wishes to recognize a majority as having expressed themselves by signing cards, and the Labor Relations Board does not come into action in that sort of an arrangement; is that correct?

(At this point, Senator Curtis entered the hearing room.)

Mr. DOUDS. That is correct; yes.

The CHAIRMAN. As I understand it, in other words, if they go out and get 51 percent of the members to sign up, then the employer may recognize the union?

Mr. DOUDS. He may; yes.

The CHAIRMAN. He may.

Mr. DOUDS. If there is no other union in the picture at that point.

The CHAIRMAN. If there is no other union in the picture. But in this instance there was another union in the picture, two of them, in fact, in a contest.

Mr. DOUDS. That is correct.

The CHAIRMAN. But he could recognize a union if a majority of his employees had indicated by signed cards that they wanted that particular union?

Mr. DOUDS. Yes; he could do so.

The CHAIRMAN. And the authority of the NLRB would not come into effect?

Mr. DOUDS. That is right.

The CHAIRMAN. It would not come into play at all.

But when they come with cards petitioning for an election, you make a check as to the authenticity of the signature of the employee as well as count against the number of employees?

Mr. DOUDS. We do not make a check on the authenticity of the signature unless there is some reason to believe the signature is not authentic, unless we have some reason to believe or unless some party raises a question about it.

The CHAIRMAN. Well, it seems to me that that's a weakness then, even in your own procedures, because the authenticity of the signature should be checked. Otherwise, you are open to the imposition of fraud.

Mr. DOUDS. That is correct, although in our experience, we usually are able to detect fraud when it exists. As a matter of fact, in the New York office of the NLRB we had a regular procedure for dealing with any such fraud that we ran into.

(At this point, Senator Church withdrew from the hearing room.)

The CHAIRMAN. All I am concerned about here is that the workingmen and women are protected against instances of collusion between management and some labor union leader where they can go through the process of signing up a lot of cards and forging names and saying "We have a majority, and on that basis we accepted the union and, therefore, made the contract under those conditions."

I think that is a very clear issue here, as to whether the majority of the employees ever wanted the Meat Cutters Union.

Obviously, at the time the contract was signed, from the best information we have now, and from the testimony that is being unfolded here, a majority of them did not want the Meat Cutters Union at that time. Particularly that would be demonstrated if a number of the cards upon which the action were taken, it develops, were forgeries.

Mr. KENNEDY. The affidavits, the excerpts from the affidavits that you read there, were mostly from the Brooklyn unit. Did you get complaints from other units other than Brooklyn?

Mr. DOUDS. Yes; we did.

Mr. KENNEDY. Could you give us samples of the places where you got them, Garden City, for instance, and the Bronx unit?

Mr. DOUBS. This is from the investigation of the Garden City unit. This is a female employee in the Elmont store in Hollis, Long Island.

In late September 1952 a man from 342 came into the store and went to the acting manager, Romaine. Then he took groups of 2 or 3 into the back of the store. When he called me there were two other people with me.

He said that he wanted to sign us up for the union. I said I would not sign for the union. So he said would I sign a card asking for the right to hold an election before the Labor Board. I said "Certainly," so I signed. A few days later a young man from 342 came around and talked to quite a few employees, taking some down to the cellar. The acting manager did not say anything. As the man from 342 was leaving, he told me that he did not have to talk to me, as he went by.

I said, "What for? I don't know you."

He said, "You are," giving her name, "and you have already signed a card and you are in the union." I told him I signed the card just to have an election. He said, "That doesn't matter. We have enough cards and you are in the union."

This is an employee in a store in St. Albans, Long Island:

About October 1952 I signed an application for membership card of local 342 of the Amalgamated Butchers. Some time in the morning of the day I signed the 342 card, the store manager, Stibel, told me to go into the back room because a representative of local 342 was there and I should see him about becoming a member of that organization. I went to the back room at once and the individual there represented himself as being from local 342. I signed the local 342 card presented to me in the back room of the store, because I was of the opinion that an election would be held and I could vote for or against local 342.

(At this point, Senator Ervin entered the hearing room.)

Mr. DOUBS. One more from Garden City. This is an employee in a store in Cambria Heights, Long Island:

Some time in early October, I think before the contract was signed, two delegates from local 342 came in. The manager told us to go upstairs and sit in with them. The delegates told us that they had a majority of the A. & P. employees signed up, and if we didn't sign up with them it would cost us \$40 or \$50. After the delegates left, I talked to Manager Burda, who said that if we didn't sign up, we would not be able to work.

Is that enough from Garden City?

Mr. KENNEDY. Yes.

Mr. DOUBS. Now I will go over to New Jersey.

Mr. KENNEDY. Prior to doing that, the New Jersey situation was a little different and a little later, chronologically, wasn't it?

Mr. DOUBS. Yes.

Mr. KENNEDY. On this situation here, this was a complete reversal on the part of the company, was it not, as far as their position on unions?

Mr. DOUBS. Yes. As a matter of fact, that is clearly illustrated in the first affidavit I read, when the employee expressed his great surprise and said to the manager, "Well, you have always been against unions. Why do you want me to sign up now?"—or words to that effect.

Mr. KENNEDY. Based on this investigation and based upon the knowledge of the company's position towards unions prior to this, did you consider this to be a fraud on the part of the company?

Mr. DOUBS. Well, this certainly, under the National Labor Relations Act was illegal activity on the part of the company. It is important, of course, that this was widespread activity. This was not just in 1 or 2 stores.

Mr. KENNEDY. All this activity that you described as in your opinion illegal activity, was above and beyond the signing of the contract of October 11?

Mr. DOUDS. That is correct.

Mr. KENNEDY. You started to get these complaints from the various employees, and they came in from Brooklyn, Garden City, and the Bronx?

Mr. DOUDS. That is right.

Mr. KENNEDY. And similar to the situation or the complaints that you have read into the record already.

(At this point, Senator Mundt entered the hearing room.)

Mr. KENNEDY. You found also that people were complaining about the fact that after the contract was signed that they were then being forced in, even more people were being forced into the union; did you?

Mr. DOUDS. Yes.

Mr. KENNEDY. Do you have a couple of samples of that?

Mr. DOUDS. Yes; I do. Just a moment.

(The witness conferred with his counsel.)

Mr. DOUDS. This relates to a charge filed on March 20, 1953, by 960 individuals, and in which these individuals claimed that they were coerced into the payment of initiation fees and dues.

Mr. KENNEDY. Have you ever had such a large group of individual employees who claimed coercion?

Mr. DOUDS. No; not in my entire experience with the Board. Incidentally, the first that I read related to the—the first affidavits yes, related to that question of the payment of dues, Mr. Kennedy.

Mr. KENNEDY. So the first affidavit was after the October 11 date?

Mr. DOUDS. Yes; that first series.

Senator CURTIS. Mr. Chairman, may I ask a question at this point?

Mr. DOUDS. I am sorry I came in late, and you may have covered this in some of your previous testimony. But as you understand the law and the regulations, it is possible for a union to lawfully be recognized through the signing of cards and without an election?

Mr. DOUDS. Yes, that is correct; it is possible.

Senator CURTIS. How many employees are supposed to have signed cards?

Mr. DOUDS. A majority of those in the bargaining unit, and the assumption would be that those cards expressed the free desires of the employees concerned.

Senator CURTIS. Yes; they must be bona fide as well as a free choice?

Mr. DOUDS. Yes; that is right.

Senator CURTIS. How long have you been with the NLRB?

Mr. DOUDS. Since May 6, 1937.

Senator CURTIS. Have you found that the card system has resulted in more trouble and more injustice to workers than where they have gone ahead and held an election?

Mr. DOUDS. I think the election method of selecting a bargaining representative is much to be preferred over that of merely accepting the signed membership cards.

Senator CURTIS. Because they can be pressured and given misleading arguments, both from management as well as organizers?

Mr. DOUDS. Yes.

Senator CURTIS. It is conceivably possible.

Mr. DOUGS. Yes. And quite often we have found employees will sign cards just to get rid of the fellow who is giving them a sales talk. Later they may vote against the union. We find that because when we check the cards, we may find that the union has, say, 75 out of 100. But then when we run the election, we find, say, that only 55 employees voted for the union. So it is obvious that 20 have signed who either changed their minds or else didn't want the union at the time they signed the card.

Senator CURTIS. When they petition for an election, the NLRB determines the form of the ballot. Do you have anything to do with the conduct of the election?

Mr. DOUGS. We conduct the election under very strict safeguards.

Senator CURTIS. In all instances?

Mr. DOUGS. That is correct.

Senator CURTIS. That is all, Mr. Chairman.

Senator MUNDT. On that point I would like to ask a question. Mr. Doug, why do you suppose, is it in the law or is it an administrative detail, that you do follow, on occasion, the card system of deciding the unit available for contract?

Mr. DOUGS. Senator Mundt, the Board does not certify on the basis of a card check. There was a time when we did, under the Wagner Act, but we do not do it under the Taft-Hartley Act. Where we certify there must have been an election in which the employees vote, a majority of the employees voted for the union.

Now, I may have confused you a little bit when I said previously that an employer could sign a contract legally based on a card check. But that would be in a situation where we do not come into the picture, where he merely voluntarily recognized the union.

Senator MUNDT. Well, I misunderstood you and your answer to Senator Curtis, because I couldn't just see how the NLRB could act on the basis of these cards, because several groups have come to me in disputes which so frequently occur in this labor-management field who allege that the card system is a strict phony, because they say no handwriting check is made, and they can demonstrate and prove, if our committee will go to the trouble of hiring handwriting experts, that the names on the cards were not signed by the men whose names appear on the cards.

They say it is a strict phony, and I wondered if the NLRB in any way participated in an arrangement of that kind, and what precautions you took to prevent being imposed upon by a bunch of cards not signed by the men and men whose names appear on the cards.

But you do not do that?

Mr. DOUGS. We do not use them as a basis for certification. There must be an election.

Senator CURTIS. Mr. Chairman, I have just one more question. Do you think it would be unfair and an injustice to any of the parties if the statute was changed so that before a union could be recognized and enter into a binding contract, there would have to be an election?

Mr. DOUGS. I don't think it would be unfair. The only problem that it might create from the standpoint of the employer would be if it were a situation where he wanted to get this thing cleared up very quickly. An election could be run quickly as a matter of fact. A

consent election where the union and the company come in and agree to an election, we can run it within 10 days or 2 weeks.

Senator CURTIS. But it just seems to me that we would remove a procedure that invites a lot of wrongdoing even though sometimes they would be in a hurry and want to get it done quicker. It would be the lesser of the two evils.

Mr. DOUDS. I certainly think that is a matter that should be given careful study by the Congress.

Senator CURTIS. That is all.

The CHAIRMAN. At the time Senator Curtis began interrogating you, you had referred to some petitions that had been signed by some 960 employees protesting an election, I believe, or protesting what?

Mr. DOUDS. That was 960 employees who signed a charge alleging that they were being coerced into paying initiation fees and dues.

The CHAIRMAN. I hand you here a photostatic copy of what I believe to be the petitions to which you referred, and ask you to examine them and state if you identify them.

(Documents were handed to the witness.)

Mr. DOUDS. Mr. Chairman, these I have here are charge No. 2-CA, 3035. That is the NLRB designation. Attached to that are lists of signatures giving names. First they printed names and then their signatures, and then there are addresses in each instance. This appears to be, and I believe it is an exact copy.

The CHAIRMAN. A photostatic copy?

Mr. DOUDS. Yes; of the signatures in our files.

The CHAIRMAN. And of the petitions in your files?

Mr. DOUDS. That is correct.

The CHAIRMAN. Then, they may be made exhibit 3 for reference only.

(Document referred to was marked "Exhibit No. 3," for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Now, during this period of time, in December specifically of 1952 a new election was ordered in the Brooklyn unit?

Mr. DOUDS. That is right.

Mr. KENNEDY. On orders from the National Labor Relations Board here in Washington?

Mr. DOUDS. That is correct.

Mr. KENNEDY. That election was held in March of 1953, is that right?

Mr. DOUDS. February, I think.

Mr. KENNEDY. Yes; in February of 1953 and Local 1500 won quite handily, some 8 to 1, is that right? They won the election?

Mr. DOUDS. Yes. Would you like the exact results of that election?

Mr. KENNEDY. Yes.

Mr. DOUDS. Of 1,462 eligible employees, and the Retail Clerks received 987 votes, and the Retail Wholesale received 125 votes, and for neither union there were 190 votes, and there were 70 challenged votes.

Mr. KENNEDY. Did that indicate to you that the Meat Cutters in fact did not represent these employees?

Mr. DOUDS. Yes; I think it is quite obvious when they had a chance to express their free choice, that they selected local 1500 of the Retail Clerks rather than the Meat Cutters.

Mr. KENNEDY. And this was only 4 months after the so-called card count had been held?

Mr. DOUDS. Yes; the card count was in October, and this was in February.

Mr. KENNEDY. And the signing of the contract?

Mr. DOUDS. Yes, sir.

Mr. KENNEDY. Now the 1500 was then certified as the bargaining representative of the Board?

Mr. DOUDS. Yes; on March 2, 1953.

Mr. KENNEDY. But the A. & P. Co. refused to bargain with them?

Mr. DOUDS. Yes; on March 9, 1953.

Mr. KENNEDY. What action did you take on that?

Mr. DOUDS. Charges were filed with us on March 13, and on March 24, 11 days later, we issued a complaint of refusal to bargain against the company.

Mr. KENNEDY. Now, during this period of time, had the Meat Cutters also moved in and signed a contract with the A. & P. Co. covering the New Jersey area?

Mr. DOUDS. Yes; that occurred at the beginning of December in 1952.

Mr. KENNEDY. Was that also done with a card count?

Mr. DOUDS. Yes, it was.

Mr. KENNEDY. Did you get complaints from the New Jersey employees that they had been coerced into signing these cards?

Mr. DOUDS. We did.

Mr. KENNEDY. Do you have some examples from the New Jersey unit?

Mr. DOUDS. You mean excerpts from affidavits?

Mr. KENNEDY. Yes, please.

Mr. DOUDS. Yes. This is from an employee in Perth Amboy, N. J.:

When I signed the AFL card, Mr. Lee, head of the produce department, gave me the card and he told me that Mr. McFarland, the store manager, had given them to him and told him to get them signed.

He told me that if I didn't sign it by December 1, I would have to pay a \$50 initiation fee, and so I signed it and I didn't have to pay any fee.

When I signed the card, I gave it to Lee and I saw him give the cards from our department, which had been signed, to Mr. McFarland; that is, the manager.

When he gave McFarland the cards, McFarland said to him that Area Supervisor McManus would be well pleased that there had been no friction over getting them signed.

Shortly before Christmas, Lee came to me and asked me to pay my union dues, and I told him I didn't want to because I didn't think the union was any good.

Later McFarland came to me and told me if I didn't pay the dues, I would lose my job, and so then I paid McFarland \$4 for dues.

Here is another from a store in New Jersey.

In a week or two, Store Manager Fred Botler gave me a card and asked me to sign it or else. He meant I wouldn't be working for the company unless I signed it.

Supervisor Lebaum told me the same thing about the first week in December. Just about every day in November Manager Botler kept bothering me to sign the union card. He even shoved a card in front of my machine when I was checking, and tried to get me to sign.

He did the same thing with everybody in the store. Everybody finally signed up about December 1, which was the deadline or else we would have to pay \$50.

The manager of the store, Thuman, has always acted like a good will agent for the Amalgamated. He has often told me and others in groups that we should pay and be sure to pay our dues because it is our duty.

Mr. KENNEDY. How would you describe this activity on the part of the company toward these employees?

Mr. DOUDS. Well, I would say that the company was conducting an organizing campaign to sign up the cards there, and that this, of course, was assistance to the Amalgamated Meat Cutters and as such was illegal activity.

Mr. KENNEDY. And again was this a complete reversal of their position that they had taken toward unions?

Mr. DOUDS. Oh, yes.

Mr. KENNEDY. From prior times?

Mr. DOUDS. That is correct.

Mr. KENNEDY. So that they had done this in the Bronx, and Brooklyn, and Garden City, and then over in New Jersey during this period of time?

Mr. DOUDS. Yes, sir.

Mr. KENNEDY. And during this time, the end of 1952 and then into the months of 1953, did you receive a lot of telephone calls from the employees of A. & P. Co.?

Mr. DOUDS. Yes, we did. We received a great many calls, so many, as a matter of fact, we had to issue special instructions to the staff as to how to handle these calls.

Mr. KENNEDY. Have you ever had anything like this before in your experience?

Mr. DOUDS. No, I don't believe so, and I don't recall.

Mr. KENNEDY. Now, you told us about the fact that the A. & P. Co. refused then to bargain with local 1500 after they won the election, and then you issued a complaint against the company at that time?

Mr. DOUDS. Yes, on March 24, 1953.

Mr. KENNEDY. And then local 1500 struck the A. & P. stores?

Mr. DOUDS. That is correct, in April.

Mr. KENNEDY. Did you have difficulties, or the National Labor Relations Board, did they have difficulties with the A. & P. Co. in their dealings with them then in trying to get this thing straightened out?

Mr. DOUDS. We had considerable difficulty at various times in making the investigation because after we received these affidavits, we naturally wanted to interview the supervisors who were supposed to have indulged in this activity, and we were not permitted to interview supervisors.

Mr. KENNEDY. Was the company's policy that they wouldn't allow you to interview the supervisors?

Mr. DOUDS. Yes. I would say, however, that Lichtenstein, who was representing the company, and with whom we dealt most of the time, made, I think, sincere efforts to secure better cooperation from the company, so that we could conduct a thorough investigation, but on several occasions when Mr. Lichtenstein indicated to us that he would try to enable us to interview the supervisors, later he called back and he said that he was sorry, but that could not be done.

Mr. KENNEDY. Who was opposing you in these efforts to determine what the facts were?

Mr. DOUDS. Well, we didn't know exactly, and we assumed it was higher authorities in the company.

Mr. KENNEDY. Did you ever discuss with anybody to find out what it was, and who was responsible?

Mr. DOUBS. Well, as a matter of fact, Mr. Lichtenstein indicated on various occasions that the company had decided not to go along with his proposals to permit us to interview certain employees whom we wished to interview.

Mr. KENNEDY. Then local 1500 struck the Brooklyn stores, and then there was a settlement agreement that Mr. Kennedy spoke about yesterday, upon the intervention of the Teamsters.

What was your attitude toward that agreement that was signed?

Mr. DOUBS. Well, I would like to say first that in May we issued 3 additional complaints. We issued a complaint based on this charge by the 960 employees to whom we have just referred, and then we issued 2 complaints, 1 relating to Garden City, and 1 relating to Jersey, and if I might, Mr. Kennedy, I would like to say something about our promptness of action in these cases.

It has been said here that the Board was so slow in acting that the parties had to take certain action themselves. Well, these charges, you see, the 960 employee charge was filed in March, and in May we issued a complaint based on that charge.

Now, that required a very widespread and difficult investigation, particularly in view of the fact we were not receiving cooperation from the company. I believe that we cannot be justly accused of not acting promptly in this situation.

Mr. KENNEDY. Would you tell us what your attitude was toward this settlement agreement that was then signed?

Mr. DOUBS. Well, I was opposed to the settlement agreement. In August I submitted a memorandum to Washington.

Mr. KENNEDY. What was the settlement agreement, and what were you opposed to in the agreement?

Mr. DOUBS. Well, you see the parties got together and worked out this proposed settlement agreement without any conference with the members of my staff. Normally when a settlement agreement is being worked out, that is done with the field examiner, or the attorney who is in charge of the case.

But in this instance, that was not true, and the parties got together and worked out the settlement agreement, and their proposal was, and you are dealing with the union shop contract, and their proposal was that the contract be set aside for a period—wait a minute, that the union shop provision of the contract be set aside for a period of 30 days, during which any employee who wished to withdraw from the Meat Cutters could do so, and the way he was to do so was to write a registered letter, return receipt requested, to the A. & P. Co., and another registered letter, return receipt requested, to the Meat Cutters. And 128 of them did so.

Mr. KENNEDY. What was your objection to that, then?

Mr. DOUBS. Well, if I might quote just a couple of sentences from my memorandum.

Mr. KENNEDY. This allowed the employee who did not want to remain in and pay his dues to the Meat Cutters, to withdraw and not pay his dues after writing registered letters to the union and to the company that he wanted to get out?

Mr. DOUBS. That is correct, and he would not then be a member of the Meat Cutters.

Mr. KENNEDY. What was your objection?

Mr. DOUDS. My objection was that this put the individual employee on the spot, and this was not in accord with our usual method for handling situations of this sort.

I would like, if I might, just to read a sentence or two from a request for advice I submitted to Washington, directed to William O. Murdock, associate general counsel, on August 7, 1953, relating to these four cases on which we had issued complaints.

In this memorandum or request for advice, I state, and I quote:

I must disagree with my colleague, John Cuneo, in his recommendation that the settlement proposal is a satisfactory one.

Mr. Cuneo is the chief law officer in New Jersey.

As I understand the settlement proposal, it is that the union secure provisions to set aside for a period of 30 days. Parties also indicated they would post an 8-B-1 notice.

One objection to this proposal is that the employee who does not wish to continue his membership in the Meat Cutters is put on a spot and required to take the affirmative action of withdrawing from the union, whereas under our usual type of settlement where the contract is set aside, this affirmative action by the employees is not necessary.

(At this point, the following members were present: Senators McClellan, Mundt, and Curtis.)

The CHAIRMAN. That really amounted, in effect, to an indirect coercion against each member?

Mr. DOUDS. I think you could think it that way.

The CHAIRMAN. In other words, he did not have complete freedom of choice. He may prefer to get out, but he realized that if he went to that affirmative action of writing a registered letter, that, of course, would come to the attention of his employers who wanted him in the union.

Mr. DOUDS. Yes. He was a marked man.

The CHAIRMAN. He was a marked man.

Mr. DOUDS. That is why you opposed that procedure. I also suggested an alternative procedure which was that the contract would be set aside for a period of 60 days, during which all employees would be free of membership in the Meat Cutters and thereafter if any that wished to could join.

The CHAIRMAN. Let them take the affirmative action to affirm the fact that the Meat Cutters was the union of their choice?

Mr. DOUDS. Yes.

The CHAIRMAN. I think your position was right. I certainly cannot go along with the ruling that was made that these folks who had been taken into the union against their will had to take affirmative action of that nature, that, as you say, put them on the spot, made them marked men, in order to get out.

I think that practice should be condemned.

Senator MUNDT. Does the NLRB have a lot of cases like this? If so, what is the customary practice? Do they usually follow the procedure that they employed here of making the union member take an affirmative action? Or do they usually follow the suggestion that you made to vacate the whole contract and let those who wanted to rejoin, rejoin?

Mr. DOUDS. The customary practice is established by a case set up in a company called the Reznick Co., and we usually refer to it as the Reznick remedy. What happens normally is that where there is

this kind of assistance by a company to a union, is that a contract is set aside for 60 days, and thereafter the election is held and the employees can determine whether they want that union or not.

Senator MUNDT. So the customary practice was the one that you recommended?

Mr. DOUBS. Yes.

At this point I did not raise the question of an election in my memorandum. I just suggested the contract be set aside for a period of 60 days. That is something that could have been worked out later.

Senator MUNDT. Normally, if you set it aside, you have to have action by somebody to reestablish it, either an election or rejoining.

Mr. DOUBS. Yes.

Senator MUNDT. The customary procedure is to have another election?

Mr. DOUBS. That is correct.

Senator MUNDT. And that action can be initiated by the Board in a case like this?

Mr. DOUBS. Well, normally one of the unions would initiate it or the company could initiate it by filing a petition for an election.

Senator MUNDT. We have a situation like this, where the company and the union were apparently working together harmoniously, and neither of them would be likely to initiate it. So if the Board found merit in the complaint of the other unions or the dissident groups, union or not, this would have to be initiated by the Board.

Mr. DOUBS. Well, the Board does not normally run an election unless somebody files a petition for an election, either a company or one of the unions concerned.

The CHAIRMAN. Will the Senator yield?

Senator MUNDT. Yes, sir.

The CHAIRMAN. It seems to me that if you set the contract aside for 60 days, that would force either the union or the company or both to ask for an election. Otherwise, the contract would be canceled. That is, if they made that condition, in setting it aside.

Senator MUNDT. Yes, if they had an election.

The CHAIRMAN. They could handle it that way.

Senator MUNDT. I was trying to determine who would initiate that, and I thought it would be the Board.

Mr. DOUBS. Mr. Naumoff just reminded me that at this point although local 1500 retail clerks had been certified in March, they had, for all practical purposes, abandoned that certification by recognizing the contract on the settlement of the strike in Brooklyn. So there really was no petition before us at this point.

Senator MUNDT. Is that the incident referred to on page 7 of your testimony, where you say "Thus, in effect, retail clerks abandoned the certification"?

Mr. DOUBS. That is correct, Senator.

Senator MUNDT. Do you have any background information as to why the retail clerks at that point did abandon their certification? It would seem to me they were winning their point. They had, as I understand the sequence, filed a protest against the A. & P. The Board had recognized the legitimacy of the protest, and you had made a complaint against the company.

The company had refused to concede. The Retail Clerks had called a strike, and it looks to me as though they were kind of winning that argument. Suddenly there comes this capitulation, and it says in effect the Retail Clerks abandoned certification. Why did they do that?

Mr. DOUDS. I am afraid you will have to ask the Retail Clerks that question. I will have to say I think this was the only time in my entire experience with the Board that I have seen a union take action of this sort.

Senator MUNDT. The only time what?

Mr. DOUDS. A union abandon a certification which it had won in an election.

The CHAIRMAN. Senator, we had testimony on that yesterday afternoon from the Retail Clerks.

Senator MUNDT. Why was it? I would like to know. It looks as though they were at victory and then suddenly they stopped.

The CHAIRMAN. I am sure we don't know all of the story, but they got together and made some kind of a deal where at the end of this contract all of these employees, again, were pawns, and would be delivered over to the Clerks Union.

They made an agreement. Then somebody didn't keep it.

Senator MUNDT. Very well. Thank you.

Mr. KENNEDY. Then there were 128 employees who did take the initiative and did write to the company and to the union; is that right?

Mr. DOUDS. That is right.

Mr. KENNEDY. And said they wanted to withdraw from the union?

Mr. DOUDS. Yes, sir.

Mr. KENNEDY. 128 of them?

Mr. DOUDS. Yes.

Mr. KENNEDY. What was your explanation as to why there were not more of them?

Mr. DOUDS. Well, I think this was, you see, a pretty cumbersome procedure in the first place; that is, for the ordinary grocery clerk to sit down and write out two letters, even though he wanted to get out of the union, and go to the post office and register them, and so forth. That is one reason. Another reason is I think a lot of the employees didn't want to put themselves on record at this point. Our experience later indicated that to be the case.

Mr. KENNEDY. There weren't any retaliatory measures taken against these 128 by the company, was there?

Mr. DOUDS. There certainly was.

Mr. KENNEDY. Do you mean the company took action against part of the people that wrote in who said they wanted to get out of the union?

Mr. DOUDS. That is right.

Mr. KENNEDY. Could you tell the committee about that?

Mr. DOUDS. Well, charges later were filed by a considerable number of these employees, these 128. Now, remember, when this settlement was made, there were notices posted in which the company stated it would not restrain or coerce the employees. That would apply to these 128 employees. Then we began to get charges from these individual employees, that they were being restrained and coerced. We investigated those charges.

Senator MUNDT. As I understand it, they had to put a public notice up in the stores that there would be no coercion.

Mr. DOUDS. That is right.

Senator MUNDT. And there would be no restrictions or restraints.

Mr. DOUDS. Yes.

Senator MUNDT. Did that give the employee assurance against coercion from both the company and the union, or from just the company or just the union?

(At this point, Senator Ervin entered the hearing room.)

Mr. DOUDS. Yes, the charges were filed against both the company and the union, and the notice would relate to both the union and the company.

Senator MUNDT. I am talking about the public assurance of good faith and protecting the dignity of free choice of the clerk. These notices that were published around the store saying "You are a free citizen, you can vote by registered mail, you can go out if you want to, and if you go out you will not be intimidated or coerced." By whom? By the company, the union, or by both?

Mr. DOUDS. Well, the notice would indicate they would not be coerced by either the company or the union.

Senator MUNDT. It said both?

Mr. DOUDS. Both, yes.

Senator MUNDT. So that if both parties acted in good faith, the employee, then, did have a freedom of choice if he relied on the pledge given him by the company and by the union?

Mr. DOUDS. That is correct.

Mr. KENNEDY. You say that there were quite a number of complaints from 128. What did you find on investigation of these complaints?

Mr. DOUDS. Well, we——

Mr. KENNEDY. I see in your statement you say:

They also allege that nine of these employees were also discharged illegally by A. & P. On investigation 8 of these 9 cases were found to be without merit and were dismissed.

Mr. DOUDS. That is true, but there were other cases in addition to that, and we did not confine our investigation simply to the employees who filed charges. The fact that this was going on disturbed us a great deal and we pushed our investigation to try to find out what happened to as many of these employees as possible.

Mr. KENNEDY. Will you tell us a little bit of what you found out?

Mr. DOUDS. We felt we had an obligation to protect these people, since they were relying on an NLRB notice posted in the store. Well, we ran into a considerable amount of difficulty in making this investigation, because by this time the company was giving us less and less cooperation.

Field Examiner Geller conducted this investigation, and he was finally able to get hold of the names of 33 of these 128 employees, which he investigated.

He discovered that of the 33, 29 had been talked to by either management, union or both, and pressured to get back into the union, and in 16 of those cases there was really what you would characterize

as coercion exercised on these employees. That is approximately half of them.

Mr. KENNEDY. By this time, the experience that you had had with the A. & P. Co. and with the Meat Cutters was just a shocking situation; was it not?

Mr. DOUDS. Yes; it certainly was. It is very unusual for our notices not to be complied with strictly. These notices, in my opinion, were, as Senator Mundt has brought out, these notices were assurances to the employees that they could stay out of the union, at least for the length of period of this contract, and that they would not be bothered about either paying dues or joining the union.

Mr. KENNEDY. And you found in your investigation that they had in fact been bothered to the point of coercion?

Mr. DOUDS. That is right.

Mr. KENNEDY. Did you draw this to the attention of the company?

Mr. DOUDS. Yes. We had a number of conferences with the company concerning this matter, and I have excerpts from affidavits relating to this matter.

Mr. KENNEDY. Would you give us some of those?

Mr. DOUDS. I will be glad to.

Senator MUNDT. Could you give us a breakdown as you start? I think this would be significant. You say of the 33, 16 had been under some kind of coercion.

Mr. DOUDS. That is correct.

Senator MUNDT. And you used the phrase "from the company or the union or both"?

Mr. DOUDS. Yes.

Senator MUNDT. Could you break the 16 down as to how many were coerced by both, how many by the company, and how many by the union?

Mr. DOUDS. Well, by an analysis of all the affidavits, we could give you that information. I don't have it right here, Senator Mundt.

Senator MUNDT. I think it would be pertinent, Mr. Chairman, if he could do that, and submit it to the record.

The CHAIRMAN. You may submit your breakdown of it, and it will go into the record at this point as part of your testimony.

Mr. DOUDS. Fine.

(The document referred to follows:)

Thirty-three employees were interviewed of whom twenty-nine individuals gave affidavits indicating coercive conduct.

Of this total there were 24 instances of coercive conduct by company supervisors or managers and 5 instances of such conduct by union officials. In addition, there were 3 instances where a course of conduct occurred by both management and union officials at the same time.

Mr. DOUDS. First I will refer to a female employee of a store in Brooklyn. She says:

I was working at an A. & P. store No. 472 in Astoria, about November 1953. At that time, I was an unwilling member of Local 342 of the Meat Cutters Union. Since I then had the right to get out of the union, I wrote letters to the company and local 342 saying that I didn't want to belong any more. I have not rejoined since or paid them any dues. About the end of 1952, the company transferred me to a store on 42d Avenue. The manager, Mr. McKenna, then spoke to me shortly after I came to his store about joining 342. He asked me what I was going to do about the union.

This is after the posting, you understand. This is dated August 3, 1954, this affidavit:

I told him I would join the union when the new contract was signed if I had to. He then asked me about my initiation fee. I told him I would pay a dollar a week if it was \$50. He then asked me what I would do if it was \$100. I told him I would do the same, then he said "Suppose it was \$500 or \$1,000." I told him I would see. He was trying to scare me into joining right away. I asked him later and he told me that his supervisor, Mr. Scanlon, asked him to speak to me. I am the head cashier and also help out in the store when necessary.

Here is another, an employee in a store in Astoria, Long Island.

I have been employed by A. & P. Co. for more than 13 years. About April 3, 1954, 3 p. m., or at least before I went to supper, in the bookkeeper's booth, Thompson, the area supervisor, spoke to me. He said he wanted to talk to me about the union. He said, "If you were still on Northern Boulevard, would you still have signed that letter?"

That is a store.

I said, "I don't know, Mr. Thompson, I might have. But I have been in other stores since then." I said, "Travel broadens people. Maybe I learned something." He told me, "If 342 won an election, they could charge you as much as \$50 to rejoin. Do you have that kind of money?" I said, "What I owe them now and what I will owe them until they charge \$50, I will have that much saved." He said, "If it should work out that way 342 will win it and you are taken back in the union, you will lose your seniority and go to the bottom of the list. In the event of a layoff, it is the ones on the bottom who get laid off first." He said that is the chance I will have to take. I said, "I did what I did in signing that letter because I thought it was right."

That is the letter resigning.

"And I don't care to change my mind now." He said, "Well, don't you think your job is worth a dollar a week to you?" I told him, "No, for the reason I don't like where the dollar is going."

Here is a short one. The employee says that it was said to him:

It would be better for me to send a letter saying I wanted to be represented by local 342; that probably if I didn't write that letter, the company or the union might get after me and I might lose my job or my pension.

There is much more along the same line.

The CHAIRMAN. The representatives of the company have suggested that the Chair ask you two questions. I will propound the questions to you at the request of the company unless there is objection on the part of any member of the committee. I see nothing wrong with them. They could go to clarify it.

Question No. 1. Isn't it true that Mr. Bott, the NLRB General Counsel, would not have approved the 1953 settlement if, in his opinion, the settlement did not remedy all of the allegations of unfair labor practices contained in the complaint?

Mr. DOUGS. There is no doubt in my mind but that Mr. Bott, or whoever in his office overruled my memorandum to Washington, of the opinion that that settlement was proper. But, you see, the parties had gotten together and agreed on the settlement. Quite often, when that happens, we accept a settlement.

But I was thinking more in terms of being out on the ground, nearer to the grassroots, and naturally we in the office were thinking in terms of the welfare of the individual employee. That is the reason we took the position.

The CHAIRMAN. And subsequent events have proven you were right and Mr. Bott was wrong?

Mr. DOUDS. Yes; of course, that is a Monday-morning-quarterback position.

The CHAIRMAN. I know it is Monday morning, but the question was asked. He may have been sincere in challenging it. But certainly subsequent events have proved that your judgment was best in this instance.

Mr. DOUDS. Yes.

The CHAIRMAN. You can be modest if you want to. I will make the statement.

Mr. DOUDS. As you have indicated, it is a matter of judgment on which men of equal integrity could disagree.

The CHAIRMAN. The next question: Did not the escape clause mean that any employee could, if he so notified the company and the union, continue as an A. & P. employee without paying dues to the union?

Mr. DOUDS. In my opinion, that is exactly what it meant; that he did not have to pay dues to the union or be a member of the union from that point on.

The CHAIRMAN. Was there anything in that escape clause to protect him from retaliation or reprisal?

Mr. DOUDS. Yes. As a part of the settlement. In these notices that were posted, the employees were informed that they would not be restrained and coerced.

The CHAIRMAN. But you do find, later, they were coerced?

Mr. DOUDS. That is correct.

The CHAIRMAN. And reprisals against them by transferring them to inconvenient places of work or other places of work that were inconvenient to them, and so forth?

Mr. DOUDS. They were transferred, and there were others in addition to those that I mentioned in my statement, as I recall, who were discharged and who were later taken back.

The CHAIRMAN. But they were taken back only after a complaint was filed?

Mr. DOUDS. Yes; after a charge was filed.

The CHAIRMAN. After remedial action was taken against the company or the union?

Mr. DOUDS. That is right.

The CHAIRMAN. Here is another one that has been submitted, also from the company's representatives. Did your office have subpoena powers enabling it to speak to any A. & P. employee at will?

Mr. DOUDS. Yes; we did have subpoena powers, although I don't think that we would exercise the power of subpoena in order to subpoena a company representative to defend the company's position.

The CHAIRMAN. In other words, if they wanted to defend their position against the charges against them and the findings of your board, it was their place to volunteer to come?

Mr. DOUDS. We felt they should come forward.

The CHAIRMAN. In other words, they had every right to appear?

Mr. DOUDS. Absolutely. As a matter of fact, we urged them.

The CHAIRMAN. You not only urged them, but you would have welcomed them?

Mr. DOUDS. We certainly would.

The CHAIRMAN. It was their reluctance that they did not come?

Mr. DOUDS. That is correct.

The CHAIRMAN. Or their decision not to come, when they had the opportunity. Well, we sometimes do that here in this committee, where we have the power of subpoena, yes, but, where we have derogatory information against someone, we give them a chance, give them a choice.

If they want to come in and explain it away, O. K. Otherwise, we may conclude that the charges or the testimony we have against them is true. When we subpoena them, we have to put the Government to expense. If they don't care to defend themselves to correct the record if it is in error, there is no reason to put the Government to the expense of doing it.

Mr. DOUDS. That was our feeling.

The CHAIRMAN. Sir?

Mr. DOUDS. That was our feeling in the matter.

The CHAIRMAN. I can appreciate that.

Senator ERVIN. I believe there is a rule of evidence to that effect, that, if a man does not speak when he has an opportunity to speak, his silence is tantamount to an admission as to the truth of the charge.

The CHAIRMAN. The Chair will make this observation. I have a little engagement during the lunch hour that I must keep. I doubt if we can get through with this witness if we go on another 10 or 15 minutes. I believe that other questions will be asked.

Senator CURTIS. I have one question, Mr. Chairman. I cannot be here this afternoon. I will limit it to one question.

The CHAIRMAN. Very well.

Senator CURTIS. In your opinion, what was the economic incentive for A. & P. to have such a close and favored working relation with this one Meat Cutters Union, as against the other unions?

Mr. DOUDS. Well, Senator, I would not like to venture an opinion in that area. I think that, by your processes here, you can get that information. But it is not directly available to me.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. Very well. The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:03 p. m., a recess was taken until 2 p. m. of the same day. At this point, the following members were present: Senators McClellan, Ervin, Mundt, and Curtis.)

AFTERNOON SESSION

The CHAIRMAN. The committee will come to order.

(Members of the committee present at the convening of the session were: Senators McClellan and Church.)

The CHAIRMAN. Proceed, Mr. Kennedy.

TESTIMONY OF CHARLES T. DOUDS—Resumed

Mr. KENNEDY. We were talking about these 128 individuals. After they sent these letters into the company and the union, and you had these complaints from them that some of them had been mistreated, then did you meet with the union to try to work this matter out? Not with the union, but did you have meetings with the company to try to work this matter out?

Mr. DOUDS. No. Well, these cases were assigned to staff members who investigated and carried on—completed their investigation. However, at the same time, there was a demand for an overall election that had been filed, and there was a question as to whether we would proceed on these or go to an election.

Mr. KENNEDY. Did the company, after these individuals sent letters in stating that they wished to cease paying their dues to the union, take active steps to try to get them to enroll back into the union?

Mr. DOUDS. Yes. The excerpts from affidavits that I read this morning, I think, mentioned it.

Mr. KENNEDY. Did they, also, in addition to that, write the envelopes out for them?

Mr. DOUDS. Yes.

(At this point, Senator Ervin entered the hearing room.)

Mr. DOUDS. There were envelopes addressed to the company and the union available in the stores, the evidence shows, and form letters were prepared to the company and the union, notifying them that they were willing to renew their membership, which the employees only had to sign and mail in.

Mr. KENNEDY. They prepared the form whereby the individual could come back in the union, and they prepared the envelopes to send them in?

Mr. DOUDS. I assume they prepared them. Our evidence indicates that they were available in the stores.

Mr. KENNEDY. This was to make it easy for the individuals who had asked to withdraw from the union to get back in the union?

Mr. DOUDS. Yes; that is right.

Mr. KENNEDY. Now, going along to another facet of this, there were a number of employees in the Bronx unit that brought a deauthorization or requested a deauthorization election; is that right?

Mr. DOUDS. That is correct.

Mr. KENNEDY. Was such an election held?

Mr. DOUDS. Yes.

Mr. KENNEDY. Over 900 of the employees in the Bronx unit that requested this deauthorization election?

Mr. DOUDS. Yes; I think that is correct.

Mr. KENNEDY. Was that a large number?

Mr. DOUDS. Yes. I would say that is a very substantial number to be signed to a petition.

Mr. KENNEDY. Did the company cooperate with the employees who were attempting to get rid of the union at that time?

Mr. DOUDS. No; I would say they didn't.

Mr. KENNEDY. Did you find, in your investigation that they made it more difficult for them to vote?

Mr. DOUDS. Well, only in this sense: The company objected to holding the election in the stores. They objected to having voting in the stores, which we had done on some occasions previously. I would not want to draw any conclusions from that, Mr. Kennedy. That just happens to be the facts.

Mr. KENNEDY. This was, once again, a different attitude than they had taken before, was it not?

Mr. DOUDS. Yes. Previously, we had roving ballot boxes that went from store to store, where booths were set up in the stores, and the people voted in the stores. But, in this election, except for a

few stores in northern Westchester County, we had central polling places, and the employees went from the stores to the central polling places in order to vote.

Mr. KENNEDY. In this kind of election, everyone that does not vote is a vote for the union?

Mr. DOUDS. Yes. You can interpret it that way, although there were 172, I think, employees who voted and went to vote and voted against.

Mr. KENNEDY. I am just talking about the facts. The facts are that everybody that does not vote is a vote for the union.

Mr. DOUDS. Yes.

Mr. KENNEDY. And the second fact is that they made it more difficult for the employees to vote in this election, at least, compared to other elections.

Mr. DOUDS. I think that is a fair conclusion.

The CHAIRMAN. At least, up to the time that more than 50 percent voted for decertification or deauthorization, whatever it is, up until that time, certainly, an absentee is, in effect, a vote for the union.

Mr. DOUDS. Well, my only objection to that conclusion is this: that a man might go to vote and yet vote against the proposition, you see Senator.

The CHAIRMAN. He might. But, since he didn't, the effect of it is that it is counted for the union.

Mr. DOUDS. The effect is that it prevents——

The CHAIRMAN. The practical effect is up until you reach more than 50 percent.

Mr. DOUDS. Yes; it helps prevent getting a majority to deauthorize the union-shop provision.

The CHAIRMAN. That is right. So until those wanting deauthorization get a majority, the one who stays away from the polls in effect is casting his vote, though he may not intend it so, though he may if he got there vote the other way, the effect of it is that he is casting his vote by his absence. That is a kind of far-fetched term for it, but by his absence he is aiding the company or the union that is in office and has the bargaining contract.

Mr. DOUDS. Yes, sir.

Mr. KENNEDY. Did you have complaints about this election, also?

Mr. DOUDS. Yes, we had complaints about the eligibility list.

Mr. KENNEDY. But they were not numerical enough to warrant throwing the election out?

Mr. DOUDS. I think we found that there were 42 names on the list of men who were, or employees who were not at that time, as a matter of fact, eligible to vote. But this was not sufficient to affect the election, even if all of those had been challenged. It would not have affected the result of the election, so we didn't feel that any action was required.

Mr. KENNEDY. After that was finished there were some supporters of local 474 fired. Did you make an investigation of that?

Mr. DOUDS. Yes.

Mr. KENNEDY. What did you find on that?

Mr. DOUDS. You refer to the men who were fired for nonpayment of dues, Mr. Kennedy?

Mr. KENNEDY. Yes.

Mr. DOUDS. We investigated that and we found that this was true. That out of about 100 who had refused to pay dues that around 10 of the leaders had been discharged. This was handled by the company in an arbitration proceeding as I recall.

Mr. KENNEDY. Did you find that the 10 individuals who were selected were selected by the union to be fired?

Mr. DOUDS. Yes. The union requested that those 10 be discharged.

Mr. KENNEDY. They were all supporters of the other union?

Mr. DOUDS. That is right.

Mr. KENNEDY. And there was a settlement between at least 8 of the 10 individuals and the company?

Mr. DOUDS. Yes. They were paid \$500 each of back pay.

Mr. KENNEDY. Were you able to establish who paid the money?

Mr. DOUDS. No, I don't think at the time we had any knowledge who paid the money. They withdrew their charges thereafter.

Mr. KENNEDY. During this period of time, as you stated this morning, the company was still not cooperating with you in your efforts to obtain the facts regarding all these matters?

Mr. DOUDS. Yes, particularly with respect to our investigation of those of the 128 employees.

Mr. KENNEDY. Do you have a memo there on a conference that you had?

Mr. DOUDS. Yes. I think you refer to the memorandum of August 18, 1954, of the conference with Mr. Gorman and Mr. Lichtenstein?

Mr. KENNEDY. Yes.

Mr. DOUDS. Would you like me to read it?

Mr. KENNEDY. I would like you to read the pertinent parts that would help the committee.

Mr. DOUDS. This was a memorandum to the file on the A. & P. case, 2-CA, 3759, of a conference in the office of the regional director on August 17, 1954. The memorandum was drafted by Field Examiner Geller. Those present at the conference were: For A. & P., Attorney Zorn, and Attorney Lichtenstein and Mr. Erench Ratcliffe, industrial director for the eastern division.

For the National Labor Relations Board, Douds, Mr. Jaffee, assistant regional director; Attorney Cainard, Chief Field Examiner Naumoff Kimmel; Field Examiners Weissman and Geller. I now read from this memorandum—

The regional director advised the company representatives that prima facie evidence uncovered in the investigation of some current A. & P. charges raised serious questions as to the propriety of approving the consent agreement of the company and two unions for an election.

Kimmel outlined in a general fashion the nature of the violations and indicated that they might well constitute violations of an October 1953 settlement agreement as well. The company attorneys were interested in knowing whether the pattern reflected by the evidence presently available was 1 of isolated instances or 1 that prevailed in all the company stores within the Brooklyn union.

Kimmel indicated that the evidence to date indicated neither of the 2 but was closer to an overall pattern than the 2 isolated instances. It was also indicated that the escapees who numbered only 128 may not have been employed at all company stores and there was therefore no likelihood that the pattern would extend to all stores.

Zorn stated that "there was something funny" about the handling of "this whole A. & P. situation," and stated that the company had never got even fair treatment from the Board and that some Board personnel seemed to see

violations every time the name of the company was mentioned. He also stated emphatically that the company would fight us on the instant charges and that it would consider refusing to make employees available to us for interview on company time.

The regional director then advised Southern that the company received the same treatment from us as did any other party, except for the fact that because of the size and impact of the cases it may have received some priority handling insofar as the rest of our workload permitted.

Then there are two unrelated paragraphs, and then continuing:

There followed some discussion as to the strength of the evidence before us and the regional director indicated that projecting the evidence to the entire group of 128 escapees would mean that at least 100 of them had been pressured into surrendering their rights under the act and under the settlement agreement. The company attorneys then stated that even if the company representatives denied the allegations presently before us we would undoubtedly send the cases to hearing anyhow and that they therefore saw no point in cooperating further in the investigation.

Thereupon I asked whether this means—Mr. Geller—that the company would not permit an interview of any of its employees on company time or property or of any of its managers or supervisors and Southern said that was the company's position. Kimmel asked whether the company would make available a list of the 128 escapes but the company said it would not do so. There followed some discussion about a possible remedy in which the company asked us to propose a remedy and prefaced it by saying that it under no circumstances would participate in any action using at this strategic time one union to the detriment of the other.

The company asked whether we had fully considered the willingness of the parties to proceed with the election and the regional director stated that we had not as yet made any firm decision on our course of action and were planning to meet immediately after this meeting with local 115 to obtain their position.

That is all.

Mr. KENNEDY. What comment do you have on that memo?

Mr. DOUDS. I think, Mr. Kennedy, I would rather let the memo speak for itself.

(At this point, the following members were present: Senators McClellan, Church, Ervin.)

Mr. KENNEDY. Is there any indication in the statement of Mr. Zorn that there was a feeling against the National Labor Relations Board?

Mr. DOUDS. No; I don't think there was any feeling. That is the reason I said before we wanted to interview the supervisors to get their version of the stories we were receiving through the employees.

Mr. KENNEDY. What about the company? Did they cooperate after that time? Did they make these people who had first-hand information and knowledge on these cases available to the National Labor Relations Board?

Mr. DOUDS. No; they did not.

Mr. KENNEDY. Did you find there was a complete lack of cooperation on the part of the company?

Mr. DOUDS. Yes. From this time on, as I recall, we had no cooperation in this investigation.

Mr. KENNEDY. Subsequently, on the agreement of the union officials involved and the company, there was an election; is that right?

Mr. DOUDS. That is right.

Mr. KENNEDY. And that election was an overall election which was won by the Meat Cutters locals over local 1500?

Mr. DOUDS. Yes; that is correct.

Mr. KENNEDY. And subsequently there was an unfair labor practice charge in that election and a new election was held?

Mr. DOUBS. Yes.

Mr. KENNEDY. And the Meat Cutters—

Mr. DOUBS. Excuse me. It is more correct to say that objections were filed to that election.

Mr. KENNEDY. And which were sustained. There was a new election and the Meat Cutters won that election?

Mr. DOUBS. Yes; that is right.

Mr. KENNEDY. Was that the close of the case as far as you were concerned?

Mr. DOUBS. Yes; that winds it up.

Mr. KENNEDY. You had another report there in April of 1953, another memo, which I think would be of some interest to us—April 28, 1953. It is a memo written at the time which indicates the feeling, at least on the part of some of the officials in the National Labor Relations Board, as to what was occurring in the company and the union.

Mr. DOUBS. You refer to the memo by Phillip Ross.

This is dated April 28, 1953. It is a memorandum from Phil Ross, to Assistant Regional Director James Jaffee.

Mr. KENNEDY. I think the pertinent part is possibly the last paragraph.

Mr. DOUBS. Would you like me to read that?

Mr. KENNEDY. Would you?

Mr. DOUBS (reading):

Investigation has disclosed a conspiratorial pattern of company assistance bordering on domination in all units. This pattern is all of a piece, and the factual situation is almost identical. In all units, extensive evidence is in the files indicating that a stipulation was executed between the company and the Amalgamated in which recognition was to be accorded to the union on the basis of a card check conducted by Mr. O'Grady. In each case, the procurement of the cards was, by and large, obtained several days before the card check by extraordinary efforts on the part of company supervisors, ranging from introducing an Amalgamated representative to employees on company time and property, to threats of discharge in the event that the cards were not signed.

The design is so clear and the company implications so marked that no possible inference exists other than an agreement by top management and the Amalgamated covering all the units involved. All the cases are complementary insofar as the 8A2 is concerned, and the evidence demonstrates their common and mutual interdependence.

Mr. KENNEDY. Would you read the first sentence of that again, please?

Mr. DOUBS (reading):

Investigation has disclosed a conspiratorial pattern of company assistance bordering on domination in all units.

Mr. KENNEDY. Would you concur in the investigation that you made? Would you concur in the finding that there was a conspiratorial pattern of company assistance in this matter?

Mr. DOUBS. Well, I don't recall now exactly what Mr. Ross had in mind when he used those words, though I know at that time I discussed the situation with him.

Mr. KENNEDY. I take it from the rest of the paragraph it appears, at least, to concern the Amalgamated Meat Cutters being brought in.

Mr. DOUBS. Yes. As I was going to go on to say, what you had in the stores was cooperation between the Amalgamated organizers and the supervisors and managers, and that was evidence we had at that

time, and I presume that's what Mr. Ross meant by conspiratorial pattern.

Mr. KENNEDY. Would you concur in that finding?

Mr. DOUDS. Yes, I would.

Mr. KENNEDY. I have just one other question.

Mr. Reynolds in his statement that was submitted to the committee made a point of the fact that the company was forced to sign this contract with the Amalgamated Meat Cutters, or otherwise the Meat Cutters would have struck their stores, and that they had no alternative but to sign the contract.

Would you make a comment on that?

Mr. DOUDS. Well—

Mr. KENNEDY. Setting aside the fact that they went out and assisted, beyond that what could the company have done?

Mr. DOUDS. So far as the Brooklyn unit was concerned, there was an election in process and the company could have filed petitions for an election in the other units, New Jersey, the Bronx, and Garden City. And if in the face of this petition in which the company would have stated there was a question of representation, there would have then been a question of representation in all units, and if the union had struck in the face of that, I believe that the company would have been justified in requesting the Board to petition the United States district court for an injunction under section 10 (j) of the act.

I am inclined to think that the General Counsel and the Board would have looked favorably upon such a request. You see, the union had made a demand here for union shop contract. If at that time the union were a minority union, the union would have been forcing the company into a violation of the law if they had insisted that they sign a union-shop contract under those conditions.

There is one other thing that I would like to say and that is that the company representatives could have come to our office and sat down with us and discussed these problems, and we would have been willing, of course, to extend every possible aid to them in working out a program to meet the situation in which they then found themselves.

Mr. KENNEDY. To the contrary, however, this whole contract and the discussions that preceded the contract were all done in absolute secrecy?

Mr. DOUDS. Yes. We knew nothing about the contract until much later.

Mr. KENNEDY. The second point, of course, is that you found on your investigation that the employees had been coerced into signing these cards and joining the union, even before the contract had been signed on October 11.

Mr. DOUDS. That is right.

Mr. KENNEDY. So those two points changed the situation anyway, is that correct?

Mr. DOUDS. Yes.

Senator CHURCH. Who was Mr. O'Grady?

Mr. DOUDS. Mr. O'Grady is a prominent attorney in New York City. He is now, I believe, a member of the transit commission of New York City, which controls the New York City transportation system.

Senator CHURCH. At that time was he in private practice?

Mr. DOUDS. Yes.

(The witness conferred with his counsel.)

Mr. DOUDS. I beg your pardon, Senator. At that time he was head of the labor relations division of the city of New York government. He was in private practice, as I understand.

Senator CHURCH. And he was retained or he was asked by the company to make the card check?

Mr. DOUDS. By the company and the Meat Cutters Union, agreeing on him to make the card check.

Senator CHURCH. And that card check merely consisted of going down through the cards and comparing the card signatures that were to be found there with the list of the employees taken from the payroll; is that correct?

Mr. DOUDS. I think that is correct.

Mr. KENNEDY. Is it correct that Mr. O'Grady was working for the city at that time?

Mr. DOUDS. I am not exactly certain. There seems to be a difference of opinion here on that point, it may have been that he was a private practitioner at that point.

The CHAIRMAN. Is there anything further?

If not, thank you very much, Mr. Douds.

Mr. DOUDS. Thank you, Senator.

There is one point I would like to clarify, and that is about the subpoena.

Mr. KENNEDY. The subpoenas were served for Mr. Douds.

The CHAIRMAN. All right. You appeared under subpoena. Thank you very much. You may be recalled.

Mr. DOUDS. Thank you.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Charles A. Schimmat.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SCHIMMAT. I do.

TESTIMONY OF CHARLES A. SCHIMMAT, ACCOMPANIED BY JEROME DOYLE, COUNSEL

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. SCHIMMAT. My name is Charles A. Schimmat. I live at 2 Tudor City, New York City. I work for the Great Atlantic & Pacific Tea Co. My title is the national director of warehousing.

The CHAIRMAN. You have counsel present, have you, Mr. Schimmat?

Mr. SCHIMMAT. Yes, I have, sir.

The CHAIRMAN. Counsel, please identify yourself for the record.

Mr. DOYLE. Jerome Doyle, a member of the bar of New York and the District of Columbia. My office address is 63 Wall Street, New York, N. Y.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you been with the A. & P.?

Mr. SCHIMMAT. 37 years.

Mr. KENNEDY. Do you have any other responsibilities other than control of the warehouses?

Mr. SCHIMMAT. Yes; I do.

Mr. KENNEDY. Could you give us a little bit about that, briefly?

Mr. SCHIMMAT. In the industrial leasing, the engineering, standardization of stores, and labor, advisory on labor.

Mr. KENNEDY. What are your responsibilities, specifically, on labor? Is that on a national scale?

Mr. SCHIMMAT. Yes, it is on a national scale.

Mr. KENNEDY. You are sort of an adviser?

Mr. SCHIMMAT. If they were in trouble they would call and ask me for advice, and if there was a big crisis, I would go out and handle the matter or try to.

Mr. KENNEDY. Each division or section has their own labor adviser?

Mr. SCHIMMAT. Yes; we have seven divisions and in each division there is a divisional labor man and in each unit there is also a man who handled the labor locally.

Mr. KENNEDY. You are just called in when there is a major problem when they need advice on sort of a national level, is that right?

Mr. SCHIMMAT. Yes.

(At this point, the following members of the committee were present: Senators McClellan, Ervin, and Church.)

Mr. KENNEDY. In 1952, did you receive a letter from the secretary-treasurer of the Butchers and Meat Cutters, specifically a letter written July 25, 1952?

Mr. SCHIMMAT. Is that the same letter I was shown by Mr. May?

Mr. KENNEDY. Yes.

Mr. SCHIMMAT. May I see it, please?

Mr. KENNEDY. Yes.

The CHAIRMAN. I hand you what purports to be a copy of the letter to which counsel has referred, and ask you to examine it and state if you identify it.

(A document was handed to the witness.)

Mr. SCHIMMAT. Yes. I have seen this letter.

The CHAIRMAN. Do you wish to read it into the record, Mr. Counsel?

Mr. KENNEDY. Just an excerpt.

The CHAIRMAN. It may be made exhibit No. 4.

Mr. KENNEDY. I will read it into the record.

The CHAIRMAN. Without being made an exhibit it may be read into the record.

Mr. MAY. The letter is dated July 25, 1952.

Mr. Charles A. Schimmat: There is a matter which we consider of great importance as affects our organization and the A. & P. Co. which we would like to personally discuss with you.

We will not bring a large committee and we do not feel that our meeting will take too much of our time. There are some things we have in mind which we feel will be very advantageous to the A. & P. as well as to our organization. It is worth talking over, I assure you.

In all probability our committee will not be larger than four including the undersigned.

You will let me know if you are in agreement to meet with us and we can then set a definite date for the conference as indicated herein.

With personal good wishes, I am very sincerely, secretary-treasurer.

The CHAIRMAN. Who is the secretary-treasurer who wrote the letter?

Mr. SCHIMMAT. Mr. Gorman, Patrick Gorman.

Mr. KENNEDY. He was secretary-treasurer of the international union; is that right?

Mr. SCHIMMAT. Yes.

Mr. KENNEDY. Did you then make plans to meet with Mr. Gorman?

Mr. SCHIMMAT. My records show that I had lunch with Mr. Gorman and two other gentlemen on the 15th of August, if my memory serves me correctly.

Mr. KENNEDY. At that time did he tell you what he had in mind which "we feel will be very advantageous to the A. & P. as well as to our organization"?

Mr. SCHIMMAT. He wrote the letter about the advantages to the tea company. My recollection is this: He advised me that he was supporting Mr. Block, he and his international, to organize the grocery clerks of the Great Atlantic & Pacific Tea Co., eastern division. He was seeking my support.

Let me just elaborate on that a moment, please. Over the last 20 years labor men have contacted me for my support to organize people in the tea company. I have had one answer constantly, "If you go out and organize the people and you are elected their bargaining agent, we will sign a contract with you," and that is the same reply I gave Mr. Gorman and the other two gentlemen at that time.

Mr. KENNEDY. Did he tell you at that time what would be very advantageous to you?

Mr. SCHIMMAT. No, sir, he did not.

Mr. KENNEDY. Did he mention at all about——

Mr. SCHIMMAT. He mentioned nothing at all about anything.

Mr. KENNEDY. Did he mention at all at that time that it might be possible to get you a 5-year contract?

Mr. SCHIMMAT. No, sir, he did not.

Mr. KENNEDY. Were you aware at that time that the Butchers were attempting to organize the stores? Were you aware of it?

Mr. SCHIMMAT. Yes, I was aware of it.

Mr. KENNEDY. How long had you been aware of it, just since the letter of July 23?

Mr. SCHIMMAT. Just let me put it this way, Mr. Kennedy. At all times the Meat Cutters were active in our stores.

Mr. KENNEDY. Were you aware that they were particularly active?

Mr. SCHIMMAT. No, sir; not at that particular time; no.

Mr. KENNEDY. Then you met with him on August 15, as I understand your records show, and on August 18 you met with Max Block; is that right?

Mr. SCHIMMAT. That is right.

Mr. KENNEDY. What did you discuss with Max Block? Did you discuss with him a 5-year contract?

Mr. SCHIMMAT. To the best of my recollection, this meeting with Max Block was a followup on the meeting I had with the international.

Mr. KENNEDY. If you told Mr. Gorman that if they were going to organize they should go out and organize, why did you then meet with Max Block 3 days later?

Mr. SCHIMMAT. He asked for a meeting to talk with me.

Mr. KENNEDY. You had already given them your answer?

Mr. SCHIMMAT. That is right. Let me explain this, Mr. Kennedy. My company had contracts with Mr. Block's three unions, and it is

my business to sit down and always talk with any labor leader who would like to talk with me.

MR. KENNEDY. He didn't mention anything about a 5-year contract?

MR. SCHIMMAT. No, sir; he did not.

MR. KENNEDY. Then I think your vouchers show you meet on August 29, September 9, September 15, and September 26 with Mr. Block or other officials of the Butchers. Did you discuss during those meetings the possibility of the Butchers giving the A. & P. a 5-year contract?

MR. SCHIMMAT. No, sir; I did not.

MR. KENNEDY. There was not any discussion at that time or during those meetings of the fact that they might make it possible, Mr. Block and the other officials of the Meat Cutters, to give the A. & P. a 5-year contract?

MR. SCHIMMAT. No, sir.

MR. KENNEDY. Was there any discussion during those meetings of a 45-hour week over a period of time?

MR. SCHIMMAT. No, sir.

MR. KENNEDY. None at all?

MR. SCHIMMAT. No, sir.

MR. KENNEDY. Did you discuss the terms of the contract at all?

MR. SCHIMMAT. No, sir.

MR. KENNEDY. What were you having all these meetings about? What were you discussing August 29, September 9, and September 15?

MR. SCHIMMAT. I was listening.

MR. KENNEDY. And you didn't say anything?

MR. SCHIMMAT. Yes. If I ever got a word in edgewise. The gist of all these meetings I had were always about one thing, seeking our assistance to organize the people in the eastern division.

MR. KENNEDY. What were they saying to you in order to obtain the assistance when they were doing the talking August 29, September 9, and these other times?

MR. SCHIMMAT. The best way I can answer that, Mr. Kennedy, is this way: After going to a luncheon with Mr. Block for 2 hours it is very difficult to know what he was talking about. He is a difficult man to listen to.

MR. KENNEDY. You would say that was true of each one of these days?

MR. SCHIMMAT. Yes, sir.

MR. KENNEDY. No talk at all during all this period of time about getting a 5-year contract or a 45-hour week over a 5-year period of time?

MR. SCHIMMAT. No, sir.

MR. KENNEDY. When did you first learn they were interested in offering a 5-year contract or would offer a 5-year contract?

MR. SCHIMMAT. Let me explain it this way: At the time that this was going on, Mr. Ratcliffe—

MR. KENNEDY. Who is Mr. Ratcliffe?

MR. SCHIMMAT. The labor relations man of the eastern division. He was negotiating with Mr. Block for the Butchers' contract for the eastern division; that is, the three New York units.

Mr. DOYLE. Excuse me. I think it would clarify the record if it was clear that at the time that we are discussing there already was in existence a contract between the A. & P., eastern division, and Block's butchers who were members of the Meat Cutters' Union as distinguished from grocery clerks who later on were organized and became members of the Meat Cutters' Union.

The contract that this witness is now referring to is the renewal of a 2-year-old contract the A. & P. already had with Block's butchers.

Mr. KENNEDY. Now to go back to my question, when did you first learn about the fact that the Meat Cutters were willing to give the A. & P. a 5-year contract?

Mr. SCHIMMAT. I never learned from the Butchers' officials that they were willing to give a 45-hour contract. From the labor relations man of the eastern division, he led me to believe that he would finally wind up a contract for the Butchers and his 3 units for 5 years he would be guaranteed 45 hours.

Mr. KENNEDY. Let me understand that. You never discussed that with the Amalgamated Meat Cutters' officials themselves?

Mr. SCHIMMAT. Because I did not negotiate the Meat Cutters' contract.

Mr. KENNEDY. I am sure you didn't negotiate it. I am not questioning that. I point out that you met during all this period of time and you never had any discussion about this whatsoever?

Mr. SCHIMMAT. No, sir; not about the Meat Cutters' contract; no, sir.

Mr. KENNEDY. Did you have any discussion about the clerks' contract?

Mr. SCHIMMAT. No, sir.

Mr. KENNEDY. You mean they never mentioned in these 2-hour lunch periods you had the terms of the contract?

Mr. SCHIMMAT. Absolutely not.

Mr. KENNEDY. I don't see how you can sit down and discuss the terms of the contract and nobody ever mentioned it for four meetings that you had.

Mr. SCHIMMAT. As I told you before, they didn't discuss any contract. They came to seek my assistance to get the grocery clerks.

Mr. KENNEDY. When they came to seek your assistance to get the grocery clerks, they must have discussed what they were going to do with the grocery clerks, what the contract was going to be.

Mr. SCHIMMAT. No, sir; they did not.

Mr. KENNEDY. Why you should assist them in getting the grocery clerks—did they say you should help them get the grocery clerks?

Mr. SCHIMMAT. My experience with labor men is that they are persistent until they organize your employees. This man is very persistent.

Mr. KENNEDY. Why did he say you should help and assist him in getting the grocery clerks to sign?

Mr. SCHIMMAT. I don't know. He made no proposition to me of any kind.

Mr. KENNEDY. He didn't mention anything to you at all?

Mr. SCHIMMAT. No, sir; he did not.

Mr. KENNEDY. Did Mr. Ratcliffe tell you that the Butchers' Union might be willing to give a 5-year contract and a 45-hour week?

Mr. SCHIMMAT. Mr. Ratcliffe was negotiating three Butchers' contracts.

Mr. KENNEDY. Could you just answer the question. Did he indicate to you?

Mr. SCHIMMAT. I would like to explain it to you, Mr. Kennedy.

Mr. KENNEDY. O. K. Let me ask it again. Did he indicate to you during this period of time that the Butchers would be willing to give a 45-hour week and a 5-year contract for your employees?

Mr. SCHIMMAT. Mr. Ratcliffe indicated to me while he was negotiating the three Butchers' contracts, as he reported to me after every meeting, that he was under the impression that when he finally wound up the Butchers' contracts he would have a 5-year agreement for 45 hours, a Butchers' contract for butchers.

Mr. KENNEDY. Did Mr. Radcliffe ever have any discussions about the clerks?

Mr. SCHIMMAT. The clerks first came in the picture from Mr. Ratcliffe when—let me see if I can put it correctly—Mr. Ratcliffe told me one day that he was advised by Mr. Block that they were going to demand the grocery clerks of the eastern division.

Mr. KENNEDY. When was this?

Mr. SCHIMMAT. I would say in the latter part of September to the best of my recollection.

Mr. KENNEDY. That is the first time you heard they were going to demand that?

Mr. SCHIMMAT. Yes. That is the first time the demand was made, and I heard that direct from Mr. Ratcliffe.

Mr. KENNEDY. What were you having the discussions about?

Mr. SCHIMMAT. The discussions were that he was seeking our assistance to organize the grocery clerks.

Mr. KENNEDY. Didn't you just say you learned that from—

Mr. SCHIMMAT. No; he was seeking our assistance. We refused it constantly. He had to go out and organize.

Mr. KENNEDY. Why did he think that you would give your assistance?

Mr. SCHIMMAT. I don't know.

Mr. KENNEDY. He never indicated that to you?

Mr. SCHIMMAT. As I mentioned before, Mr. Kennedy, the labor men are always out after organizing employees.

Mr. KENNEDY. I am talking about this specific case. I don't want to hear about your general relationships with labor men. I want to hear about this particular case. What did he tell you as to why you should want to assist him?

Mr. SCHIMMAT. He had no proposition to make of any kind. He just wanted our assistance.

Mr. KENNEDY. The first time that Mr. Ratcliffe—these were discussions you were holding with the Meat Cutters regarding the retail clerks who were working in your stores, but Mr. Ratcliffe on the other part was having discussions about the contract for the Butchers, is that right? He was not discussing the retail clerks up until the end of September?

Mr. SCHIMMAT. The first time we ever negotiated for the grocery clerks was on October 11, 1952, sir.

Mr. KENNEDY. In answer to the question, did he ever have any discussions about what the terms—did he ever have any discussions about

the fact that the retail clerks would be brought into the Butchers' Union during this period up until the end of September?

Mr. SCHIMMAT. No. May I explain it this way: Mr. Block made three attempts, and this I got directly from Mr. Ratcliffe. First he suggested that we turn over the grocery clerks.

Mr. KENNEDY. When was this?

Mr. SCHIMMAT. About the latter part of September. Then he demanded, and he was turned down.

Mr. KENNEDY. When did he demand?

Mr. SCHIMMAT. In that period. This is almost 6 years ago.

Mr. KENNEDY. What was this, in October, then?

Mr. SCHIMMAT. No, some time in September. Maybe that first statement I said the latter part of September might have been the middle of September, but some time in September this all developed.

Mr. KENNEDY. At the end of September in these first meetings when you were discussing this matter, did he indicate to Mr. Ratcliffe that a 5-year contract and a 45-hour week would be a possibility?

Mr. SCHIMMAT. That Mr. Ratcliffe did not mention to me and I don't think that was ever talked of. He did not recognize—

Mr. KENNEDY. When did you first learn about that, Mr. Schimmat, that the union was offering a 5-year contract and a 45-hour week for the clerks?

Mr. SCHIMMAT. For the clerks?

Mr. KENNEDY. Yes.

Mr. SCHIMMAT. I never heard that mentioned.

Mr. KENNEDY. You never heard that?

Mr. SCHIMMAT. No, sir; not for the grocery clerks.

Mr. KENNEDY. Let me ask this: You never heard that they would be willing to sign a contract for a 45-hour week and a 5-year contract?

Mr. SCHIMMAT. For what?

Mr. KENNEDY. For the employees of A. and P.

Mr. SCHIMMAT. As I mentioned before, Mr. Kennedy, when Mr. Ratcliffe was negotiating for the Butchers he was under the impression he would finally wind up the three contracts for the Butchers—let me make that clear now, for the Butchers—for 5 years, 45 hours, with, of course, every year to reopen the contract for wage negotiations. He was under that impression until the last month. May I step into that picture.

(At this point, the following members were present: Senators McClellan, Church, and Ervin.)

The CHAIRMAN. Mr. Schimmat—

Mr. SCHIMMAT. After Mr. Block demanded the grocery clerks, he got no response from the Tea Co. They turned him down. He then threatened a strike.

The CHAIRMAN. May I ask you 1 or 2 questions here?

Mr. SCHIMMAT. Yes, sir.

The CHAIRMAN. This letter and your testimony is quite interesting. You receive a letter from the secretary-treasurer, Mr. Gorman.

The letter is dated July 25, 1952, and he starts out in the letter by saying—

There is a matter which we consider of great importance as affects our organization and the A. & P. Tea Co., which we would like to personally discuss with you.

Therefore, you had meetings, at least four, from August 29 to September 26, in 4 weeks. Let's follow along with them. He then said to you in the letter, and this is an inducement—

we will not bring a large committee and do not feel that our meeting will take too much of your time.

Then he said—

There are some things we have in mind which we feel will be very advantageous to the A. & P. as well as to our organization. It is worth talking over, I assure you.

What did you find in those subsequent conversations, 1 each week, the hour or 2 conferences, that they had in mind that would be of great benefit to the A. & P.

Mr. SCHIMMAT. The only way I can answer this, Senator is this way: Whatever Mr. Gorman wrote was advantage to the Tea Co. When he asked for my assistance to organize the grocery clerks, we were not interested.

The CHAIRMAN. What did they offer you in these conversations that confirmed, or that they thought would confirm, what they had said to you in this letter, that it would be very advantageous to the A. & P.?

The fact that you folks had resisted organization all the years was known, I am sure. What was it they were going to offer you there, and what did they offer you, that they contended would be of some advantage or great advantage to the A. & P.?

Mr. SCHIMMAT. They made no offer whatsoever.

The CHAIRMAN. Do you mean you were brought into these conversations, you sat and listened and they never did make any offer?

Mr. SCHIMMAT. That is right, sir.

The CHAIRMAN. Notwithstanding they had written assuring you it was also of great advantage and worthwhile to talk it over, they never mentioned anything at all?

Mr. SCHIMMAT. They made no offer whatsoever, sir.

The CHAIRMAN. They offered no inducement at all?

Mr. SCHIMMAT. No, sir.

The CHAIRMAN. All they said was "Help us organize the A. & P. clerks," that was all?

Mr. SCHIMMAT. This is with the international you are talking about.

The CHAIRMAN. Didn't you get a little disgusted when they were singing the same song over and over again?

Mr. DOYLE. I think the witness advised you that he only met with the international who wrote that letter once. The other meetings he had were with local officials in New York City.

The CHAIRMAN. I am sure that's true, but it is the same union, is it not?

Mr. SCHIMMAT. Yes, sir; affiliated.

The CHAIRMAN. And were followups of your letter from Mr. Gorman?

Mr. SCHIMMAT. Yes.

The CHAIRMAN. All of this links together. You don't deny that. When was it they said they wanted you to turn over the grocery clerks?

You used that expression.

Mr. SCHIMMAT. I don't recall that.

The CHAIRMAN. You said it just a moment ago. I made a note of it a moment ago when you said it and put it in the quotations.

Mr. SCHIMMAT. I don't remember saying that, Mr. Senator.

The CHAIRMAN. Well, I don't think I could be mistaken about it, because you testified to it just a few moments ago, something about turn over the grocery clerks. Did they ask you to turn over the grocery clerks?

Mr. SCHIMMAT. They asked for our assistance in helping them organize the grocery clerks.

The CHAIRMAN. They didn't say they wanted you to turn over the grocery clerks?

Mr. SCHIMMAT. No, sir.

The CHAIRMAN. I wondered how you were going to turn over something you did not have.

Mr. SCHIMMAT. You can't.

The CHAIRMAN. How could you turn them over?

Mr. SCHIMMAT. I don't know how to turn them over.

The CHAIRMAN. Do you know how they were turned over?

Mr. SCHIMMAT. No, sir, I don't.

The CHAIRMAN. You don't know about the card signing and the efforts of the union officials to get them to sign the cards, or I mean the company representatives to get them to sign the cards.

You claim you know nothing about it?

Mr. SCHIMMAT. No, sir. I don't work in the field, sir.

Senator ERVIN. Let me ask a question. You got this letter from the international secretary in which he said he wanted to talk to you about something that would be of great advantage to the A. & P. Tea Co.?

Mr. SCHIMMAT. Yes, sir.

Senator ERVIN. And you agreed to meet him?

Mr. SCHIMMAT. I did meet with him, sir.

Senator ERVIN. He never mentioned anything to the advantage of the Tea Co. and you did not have enough curiosity to even ask him what he referred to in his letter that would be of advantage to the A. & P. Tea Co.?

Mr. SCHIMMAT. That is right.

Senator ERVIN. All I have to say is if the cat had no more curiosity than that, it would still be alive.

The CHAIRMAN. Proceed.

Mr. KENNEDY. So the first time that there was any discussion actually about terms of contract for the clerks was the end of September, on the part of the Meat Cutters?

Mr. SCHIMMAT. Would you mind repeating that, please?

Mr. KENNEDY. The first time that there were discussions about the contract or the clerks becoming members of the Meat Cutters was the end of September of 1952, except the general discussions that they had with you?

Mr. DOYLE. Excuse me, Mr. Kennedy. The reason the witness, I think, asked you to repeat your question was the first question had to do with the terms of the contract with the clerks. I think the second question was a little bit different than the first one.

Mr. KENNEDY. You tell me. What happened at the end of September 1952? What happened then?

Mr. SCHIMMAT. In reference to what?

Mr. KENNEDY. As far as the clerks were concerned. Something occurred. You were describing something that occurred in the end—

Mr. SCHIMMAT. Yes; I was describing the demands made by Mr. Block on the eastern division.

Mr. KENNEDY. At that time was there any discussion of the fact that the Meat Cutters would be willing to give A. & P. a 45-hour week and a 5-year contract for the clerks?

Mr. SCHIMMAT. There was no discussion with me.

Mr. KENNEDY. Did the other officials of the company report that to you?

Mr. SCHIMMAT. Again I repeat the only discussion about a 5-year contract and 45 hours I received from Ratcliffe and it referred to the Butchers.

Mr. KENNEDY. And no one else?

Mr. SCHIMMAT. The Butchers' contract. That is right.

Mr. KENNEDY. No one else?

Mr. SCHIMMAT. That is right.

Mr. KENNEDY. You were the one that was really participating actively in the negotiations or discussions; were you not?

Mr. SCHIMMAT. No, sir; I was not.

Mr. KENNEDY. You participated to the point of having 4 or 5 meetings. If anybody would know, you would know.

Mr. SCHIMMAT. I said before, Mr. Kennedy, I was not negotiating any contract.

Mr. KENNEDY. I am not saying you were negotiating any contract.

Mr. SCHIMMAT. I was not discussing any clerks' contract or any Butchers' contract.

Mr. KENNEDY. I am not saying even that you were discussing a contract. But you were discussing the clerks' coming in the Butchers.

Mr. SCHIMMAT. I wasn't discussing the clerks' coming in the Butchers.

Mr. KENNEDY. They were discussing it with you.

Mr. SCHIMMAT. They were asking for the company's help to help organize the clerks.

Mr. KENNEDY. Then you were discussing the subject.

Mr. SCHIMMAT. They were discussing it.

Mr. KENNEDY. You were sitting there, eating lunch, and I assume you heard what they were saying. That is the point I am making. All I am saying is that these discussions that you were sitting through and evidently trying not to listen to, were held with you and you were the individual.

Mr. SCHIMMAT. I was there.

Mr. KENNEDY. There was a memorandum within 10 days after you had the first meeting with Mr. Gorman, dated August 25, to Mr. Zorn—and Mr. Zorn was whom at that time?

Mr. SCHIMMAT. Pardon me?

Mr. KENNEDY. Mr. Zorn held what position at that time?

Mr. SCHIMMAT. Mr. Zorn was retained by the company as legal counsel, eastern division.

Mr. KENNEDY. And there was a Mr. Block who worked for him at that time, no relation to the Louis Block or Max Block?

Mr. SCHIMMAT. I can't testify to that.

Mr. KENNEDY. Let me read you the first paragraph of a memorandum, and I point out the date to you, of August 25, 1952. This is a legal memorandum and says—

Facts. There have been NLRB elections involving the Bronx and Brooklyn Clerks within the past 12 months. No union has received a majority of votes and consequently no certification has issued. There is a possibility that the A. F. of L. Amalgamated Meat Cutters Union, hereafter called A. F. of L., which was not a party to the above-mentioned elections,

and this is the important part,

may undertake an organizational campaign without company opposition. This campaign may result in a strike threat, and a consequent recognition of the union by the company on the basis of a card check. The fruition of the foregoing events would be in the form of a,

and this I would like to point out again,

of a 5-year contract, with yearly wage reopening provisions.

At least this is a memorandum that was written 10 days after your meeting with Mr. Gorman. Mr. Gorman got in touch with you specifically. He wrote you this letter. This memorandum was written. These are the facts that were evidently at issue or in question at that time. Then after that you had these 3 or 4 meetings with the Meat Cutters.

Do you still say that you knew nothing about the fact that the Meat Cutters were offering a 5-year contract?

Mr. SCHIMMAT. What is that memorandum? I have never heard of that memorandum. I have never seen it. What is it? Who is the author of it?

Mr. KENNEDY. I told you who the author was. It was Mr. Block, who worked for Mr. Zorn, Mr. Lester Block who worked for Mr. Zorn.

Mr. SCHIMMAT. I know nothing about that.

Mr. KENNEDY. These are the Meat Cutters, the secretary-treasurer—

Mr. DOYLE. Mr. Kennedy, excuse me. I think in fairness to this witness it should be indicated on the record that this is an internal memorandum of a law firm in New York City. There is no indication that I have ever been able to find out, nor do I think your investigators have, that any copy of this was ever sent to either this witness or any other officials of the A. & P. I also would like to say at this time, and I am sure you will agree with me, that the cooperation of the Atlantic & Pacific Tea Co. to your committee is certainly epitomized and crystallized by the fact that no court in the land would ever force this company to reveal that memorandum under attorney-client privilege. But because we wanted to cooperate wholeheartedly, our company waived its privilege and permitted you and your investigators to read the memorandum.

The only point I think in fairness to the witness is we all know he never saw it before.

The CHAIRMAN. Did you ever see it?

Mr. SCHIMMAT. No, sir; I did not.

The CHAIRMAN. Did you pass that information on to the law firm?

Mr. SCHIMMAT. No, sir.

The CHAIRMAN. Did you have conferences with the law firm about it?

Mr. SCHIMMAT. No, sir.

The CHAIRMAN. To whom did you report after you had your meeting with Mr. Gorman in response to that letter?

Mr. SCHIMMAT. I reported to nobody, sir.

The CHAIRMAN. You reported to no one?

Mr. SCHIMMAT. That is right.

The CHAIRMAN. To whom did you report after these other four meetings, August 26, August 29, September 16 and September 26?

Mr. SCHIMMAT. I reported to no one.

The CHAIRMAN. No one knew what you were doing, none of your supervisors?

Mr. SCHIMMAT. There is nothing new about a request coming from the union for our support to organize the unorganized?

The CHAIRMAN. So you did not report that to your superiors?

Mr. SCHIMMAT. No, sir; because that has been a steady diet with the Tea Co. in this division, always seeking our help.

The CHAIRMAN. This wasn't a continuous thing. This was unusual for the Meat Cutters' Union to come in and want to organize your clerks. That was new, wasn't it? They had not been on the ballot. They had not participated in any previous—

Mr. SCHIMMAT. No; but they had been in in other sections of the country for our assistance. We turned them down on the same basis we did here.

The CHAIRMAN. As the attorney said, they have been very cooperative. I announced that in the beginning of the hearings. I commended Mr. Reynolds, I believe it was, who testified first. But this information has been developed here. Do you have anyone in your company that knows about this memorandum that can explain it? We will be very glad to hear them, how they got the information upon which to premise the memorandum.

Mr. DOYLE. Mr. Chairman, I think solely because of the change which happens every day in the week, a change in the order of the witnesses, I believe your counsel would have put the witness that works for the company, Mr. Ratcliffe, on the stand ahead of Mr. Schimmat, and it is Mr. Ratcliffe who, as the labor relations adviser or man in charge of labor relations for the company, who was told by Mr. Block what Mr. Block wanted, who then, in behalf of the company, went to outside counsel and outlined to outside counsel what the union was up to.

On the basis of the hypothetical set of facts that Mr. Ratcliffe gave to Mr. Zorn, Mr. Zorn in turn called in one of his young lawyers and said "This is what might happen. Would you please look up the law and see what the legal consequences are?"

Mr. Ratcliffe is here. I think your committee will have ample opportunity to examine him in full. We have made him available to the investigators of your committee on several occasions. We will be happy to have him come down any time you want him, Mr. Chairman.

The CHAIRMAN. All right. Since you have raised the question about the information in the memorandum, I wanted you to know that the committee would be more than willing to be fair to you to

permit an explanation of how that information was developed and what was done about it, and what the source of it was.

Mr. DOYLE. Unfortunately, Mr. Chairman, we have no choice in the order of witnesses that your committee calls.

The CHAIRMAN. I am sure we don't always put them on in the best order.

I have seen many smart lawyers try lawsuits and make some errors.

Mr. KENNEDY. There is no implication here, is there, Mr. Chairman?

The CHAIRMAN. Proceed.

Mr. DOYLE. I am sure your counsel is a lot smarter than the counsel sitting here alongside Mr. Schimmat, Mr. Chairman.

Mr. KENNEDY. Well, I don't want to get into an argument with you.

The CHAIRMAN. Proceed.

Mr. KENNEDY. You state, therefore, you had no information whatsoever of the possible terms of contracts that the Meat Cutters were going to offer to the A. & P. Co. regarding the clerks?

Mr. SCHIMMAT. That is right.

(At this point, the following members of the committee were present: Senators McClellan, Church, and Ervin.)

Mr. KENNEDY. One of the meetings, as I understand, took place on September 2, 1952, that you had with the representatives of the Meat Cutters.

I draw your attention to a conference that you had, according to your records, which indicates a meeting of Schimmat and Ratcliffe, in regard to a problem in respect to Meat Cutters:

Union's demands for organizational contract for all New York A. & P. employees, including clerks, including questions of possible contract terms and provisions with respect to possible recognition and possible subsequent NLRB proceedings.

Mr. DOYLE. Mr. Kennedy, am I correct in understanding that is an entry in the log of Mr. Zorn?

Mr. KENNEDY. That is correct.

Mr. DOYLE. This would indicate a meeting by Mr. Schimmat, Mr. Ratcliffe, and Mr. Zorn?

Mr. KENNEDY. That is correct.

Mr. DOYLE. This is a minute or an item from Mr. Zorn what we call timesheet?

Mr. KENNEDY. That is correct. Do you remember having any discussions with Mr. Zorn?

Mr. SCHIMMAT. No, sir, I don't.

Mr. KENNEDY. If all these things were going on and you were the representative for labor relations for the national A. & P. they were not keeping you advised evidently, is that right?

Mr. SCHIMMAT. Of what.

Mr. KENNEDY. Of what was going on.

Mr. SCHIMMAT. They were keeping me advised of the contract negotiations for the Butchers, yes.

Mr. KENNEDY. But as far as the clerks, they were not telling you what the conditions were in the situation.

Mr. SCHIMMAT. As I mentioned before, in September the request was made for the grocery clerks to Mr. Ratcliffe and then a demand was made on Mr. Ratcliffe and then the threat of a strike.

Mr. KENNEDY. According to the records here it would indicate that those discussions regarding the terms of the contract and these other matters on the clerks came up a good deal of time before that, maybe 5 or 6 weeks before that. You were not advised about it?

Mr. SCHIMMAT. No, sir, I was not.

Mr. KENNEDY. You didn't know anything about it?

Mr. SCHIMMAT. Not any discussions on any grocery clerks, no.

Mr. KENNEDY. When did you first learn that the union would be willing to give a 5-year contract to the Clerks?

Mr. SCHIMMAT. Well, that goes—after it——

Mr. KENNEDY. That is not too tough.

Mr. SCHIMMAT. I have to put it this way: On October 11 I negotiated a grocery clerks' contract after the card count. It was for 22 months.

Mr. KENNEDY. That was October 11?

Mr. SCHIMMAT. October 11.

Mr. KENNEDY. That was after the day after the card count was finished?

Mr. SCHIMMAT. Yes.

Mr. KENNEDY. The card count was finished October 10 and you came to negotiate the Grocery Clerks' contract on October 11?

Mr. SCHIMMAT. I was asked to come in and help and I did negotiate.

Mr. KENNEDY. When did you hear there was to be a card count?

Mr. SCHIMMAT. About the 7th or 8th of October when I was on my vacation.

Mr. KENNEDY. You made a reservation to come back from your vacation?

Mr. SCHIMMAT. That is right.

Mr. KENNEDY. On October 7?

Mr. SCHIMMAT. On October 11.

Mr. KENNEDY. You made a reservation initially on October 7?

Mr. SCHIMMAT. I made a reservation on October 7 and flew back on the 11th. I made the reservation on the 7th for the 11th.

Mr. KENNEDY. Had you known at the time you made the reservation that there would be a card count?

Mr. SCHIMMAT. It was not assured then that they would agree to a card count.

Mr. KENNEDY. You had some information that they would?

Mr. SCHIMMAT. In any conversation with the officers they thought they possibly would agree to it.

Mr. KENNEDY. Now we are up to October 11?

Mr. SCHIMMAT. Yes, sir.

Mr. KENNEDY. You say you were conducting the negotiations on the contract. Was it then that you learned that the butchers would give you a 5-year contract?

Mr. SCHIMMAT. On October 11 I learned that we were not even going to get a 5-year contract on the butchers. It developed when we finished negotiating the contract that day. It wound up to be a 22-month contract.

Mr. KENNEDY. Certainly you foresaw that you could not have a 5-year contract for the butchers and not also for the clerks, did you not? That would be obvious.

Mr. SCHIMMAT. As we negotiated the clerks' contract after we completed the butchers' contract, they both wound up as 22-month contracts.

Mr. KENNEDY. So there was not any discussion about a 5-year contract?

Mr. SCHIMMAT. Yes. I was after the 5-year contract constantly for the butchers. I was led to believe that we were going to have a 5-year contract for the butchers.

Mr. KENNEDY. Did you expect a 5-year contract for the clerks then?

Mr. SCHIMMAT. Not if I could not get it for the butchers; no, sir.

Mr. KENNEDY. If you got it for the butchers, didn't you expect you would also get it for the clerks?

Mr. SCHIMMAT. Yes.

Mr. KENNEDY. So then you expected a 5-year contract.

Mr. SCHIMMAT. I didn't get nothing but a 22-month contract.

Mr. KENNEDY. You didn't get it, but didn't you expect it for both at that time?

Mr. SCHIMMAT. Let me put it this way: I negotiated the butchers' contract. I stepped into the picture. I was led to believe I was going to have a 5-year contract with a wage-reopener contract each year for 5 years to protect the 45 hours. Instead of that, I wound up with a 22-month contract.

Mr. KENNEDY. You expected to have that both for the butchers and for the clerks, did you not?

Mr. SCHIMMAT. I expected it for the butchers and then I negotiated the grocery clerks and it wound up 22 months.

Mr. KENNEDY. You knew if you got it for the butchers you would have to get it for the clerks with the same union?

Mr. SCHIMMAT. That is right.

Mr. KENNEDY. You knew if you expected it for the butchers, and you expected it for the butchers prior to October 11, you knew if the card count was successful and the Meat Cutters won the card count you would also expect to have a 5-year contract for the clerks, did you not?

Mr. SCHIMMAT. Yes. But it didn't work out that way.

Mr. KENNEDY. I know. We will go step by step. But you expected you were going to get a 5-year contract for both, did you not?

Mr. SCHIMMAT. On October 11, I expected to get, or prior to October 11, I was led to believe I was going to have a 5-year contract for the butchers. That is all that was being negotiated for.

Mr. KENNEDY. That is right. As yet they had not signed up the clerks. But if they were successful for the clerks you were also going to get a 5-year contract for the clerks. That is basic, Mr. Schimmat. You were going to get it for the butchers, and you were also going to get it for the clerks.

Mr. SCHIMMAT. There was not any mention of any contract—

Mr. KENNEDY. You knew, as someone who had some experience with labor relations, you were also going to get it for the clerks; isn't that correct?

Mr. SCHIMMAT. If the clerks were organized and under contract when we were negotiating a contract, I would expect to get a 5-year contract for the clerks if I had it for the butchers.

Mr. KENNEDY. All right.

Mr. SCHIMMAT. The first contract I negotiated was the butchers and that was for 22 months, sir.

Mr. KENNEDY. Did you have any agreement when you conducted those negotiations, when the contract was signed for 22 months, that the contract would in fact last for 5 years?

Mr. SCHIMMAT. No, sir.

The CHAIRMAN. I hand you a photostatic copy of the letter in the nature of an agreement dated October 11, 1952, addressed to the Great Atlantic & Pacific Tea Co., and directed to the attention of Mr. C. A. Schimmat. I wish you would examine this photostatic copy and state if you recognize it.

(A document was handed to the witness.)

Mr. SCHIMMAT. This was shown to me by the investigators for the committee. I never saw this until the time the investigators showed it to me.

The CHAIRMAN. What is the date of it?

Mr. SCHIMMAT. October 11.

Mr. DOYLE. October 11, 1952. It is unexecuted, unsigned.

The CHAIRMAN. You have seen it before, so I will let it be made exhibit No. 4. I think we can establish it later.

(Document referred to was marked "Exhibit No. 4," for reference and may be found in the files of the select committee.)

The CHAIRMAN. I want to ask you 1 or 2 questions about it. It seems to be dated October 11, the day you negotiated the two contracts; is that correct?

Mr. SCHIMMAT. That is right.

The CHAIRMAN. You are familiar with it since you have seen it before.

Mr. SCHIMMAT. The investigators showed it to me for the first time.

The CHAIRMAN. It starts off:

On October 11, 1952, labor contracts were signed between the Great Atlantic & Pacific Tea Co., eastern division, and the Butchers' District Council of New York and New Jersey on behalf of locals 342, 400, and 489, affiliated with the Amalgamated Meat Cutters and Butchers Workmen of North America, affiliated with the American Federation of Labor and by each of said local unions for the following bargaining groups.

Among others it mentions the grocery department employees in certain stores and areas. Then it says:

This letter supplements such contracts and constitutes an agreement by the union, party of those contracts, that each of said contracts shall continue in full force and effect until the 28th day of August 1957, but that either party may request the reopening of each of said contracts solely for revision of hourly or weekly wages only as contained in the wage schedule of those contracts, on the 28th day of August 1954 and on the 28th day of August 1955 and on the 28th day of August 1956, by notice to the other party in writing, not less than 60 days prior to the date of any such reopening.

Subject to any amendments resulting from the application of such wage reopenings the agreement shall automatically be renewed year to year after the 28th day of August 1957, unless at least 60 days prior to the 28th day of August 1957, the expiration dates of the agreement or any renewal thereof notice in writing by registered mail is given by either party to the other of a desire to make changes therein or to terminate the contract.

It is further agreed that this agreement shall also be applicable to the labor contracts when consummated that are currently under negotiations for certain employee groups in stores located in Newark, Jersey City, and Paterson, N. J.

You negotiated the contracts for both the butchers and for the clerks on October 11?

Mr. SCHIMMAT. Yes, sir.

The CHAIRMAN. You consummated those contracts that day?

Mr. SCHIMMAT. That is right.

The CHAIRMAN. What is your explanation that this letter was written separately, constituting an agreement on that same day whereby you actually were getting a 5-year contract instead of a 2-year contract?

Mr. SCHIMMAT. That letter, as I saw it, is not executed. There are no signatures on it.

The CHAIRMAN. There is nothing on this.

Mr. SCHIMMAT. That is right.

The CHAIRMAN. Do you say that this did not become a part of the agreement?

Mr. SCHIMMAT. Yes, sir, I do say that. It is not part of the agreement.

The CHAIRMAN. You say it did not become a part of the agreement?

Mr. SCHIMMAT. It did not become part of an agreement.

The CHAIRMAN. Can you explain why such a letter would have been written at all?

Mr. SCHIMMAT. I have no explanation of it.

The CHAIRMAN. You never heard of it?

Mr. SCHIMMAT. I never heard of it or saw it until your investigators showed it.

The CHAIRMAN. In your contracts did you get a 45-hour week?

Mr. SCHIMMAT. I got a 45-hour week for 22 months.

The CHAIRMAN. And this you say you never heard of as an extension or secret agreement to extend those contracts for 5 years instead of 22 months?

Mr. SCHIMMAT. That is right.

The CHAIRMAN. All right, Mr. Counsel.

(At this point, the following members were present: Senators McClellan and Church and Ervin.)

The CHAIRMAN. All right, Mr. Counsel.

Mr. DOYLE. We have—Mr. Chairman?

Mr. Chairman?

We have suggested to your committee staff and counsel that probably this letter, which apparently came from the files of the union, was brought to this meeting by the attorneys for the union, kept in their briefcases, and they never had to use it.

The CHAIRMAN. We will develop all the facts, Mr. Counsel. You can appreciate there are some little strange coincidences in here, at least that such a letter was written on the same day the other contracts were made. I don't know what someone was doing out there, just idling their fingers on a typewriter or dictating such a letter which would have no significance whatsoever. Let's proceed.

Mr. KENNEDY. Mr. Schimmat, did you make any kind of a secret agreement with any of the union officials?

Mr. DOYLE. As of what time, Mr. Kennedy?

Mr. KENNEDY. Well, during this period of time, October 11, or subsequently, on the question of the 45-hour week?

Mr. SCHIMMAT. I would like to explain that question this way.

Mr. KENNEDY. Just answer the question.

Mr. SCHIMMAT. I would like to give you the details on it.

Mr. KENNEDY. You can give the details. Answer the question. Did you make a secret agreement with any of the union officials regarding a 45-hour week over a 5-year period?

Mr. SCHIMMAT. After I negotiated it——

Mr. KENNEDY. Would you answer the question "yes" or "no" and then explain it?

Mr. DOYLE. With all due respect to you, Mr. Kennedy, I would suggest in the interest of clarity and completeness and fairness that this is one of these questions that a witness really should not be called upon to answer "yes," because the word "secret" is an adjective which characterizes some sort of arrangement, and I think if Mr. Schimmat is permitted to give the circumstances that you are interested in, then you and the committee can give it whatever——

Mr. KENNEDY. If you have an objection——

The CHAIRMAN. Let the Chair suggest that if he can't answer "yes," he can answer "no," and then qualify it either way.

Mr. DOYLE. I think the best answer is "yes" with an explanation.

Mr. KENNEDY. Mr. Doyle, you are not testifying.

Mr. DOYLE. I realize that. I am trying my best to keep quiet, but I don't like to have a witness forced to say "yes" or "no" when he wants to give an explanation with his answer.

The CHAIRMAN. Let the Chair say to you, so we will not have this all day long, when you are asked a question which can be answered "yes" or "no," you are expected to answer it that way, and the Chair will give you ample time to make your explanation. We are not trying to hold you down to a "yes" or "no," but that is a "yes" or "no" question, with such qualifications as you wish to make under oath.

Mr. KENNEDY. Did you make a secret agreement with union officials regarding a 45-hour week over a 5-year period?

Mr. SCHIMMAT. Not for a 5-year period; no, sir.

Mr. KENNEDY. Did you make a secret agreement with union officials for a 45-hour week to extend to 1957?

Mr. SCHIMMAT. Yes, I did.

Mr. KENNEDY. Now do you want to give an explanation?

Mr. SCHIMMAT. I would like to. After completing the contract on October 11, some time between October 11 and November—I don't quite remember the date—I was advised by Mr. Ratcliffe that Mr. Block had approached him to change the contract, particularly the welfare clause. In the contract we negotiated on October 11, we had a welfare clause where the money was turned over to the union, and they were to take full responsibility for the welfare.

Mr. Ratcliffe informed me of the difficulty Mr. Block was having with his membership. Later on Mr. Block called me and asked for my assistance to get that changed. I agreed to change it, providing he would give me a letter or a supplement with this change, guaranteeing me a 45-hour week until 1957.

He refused to include it in the supplement, but he did agree to furnish me with a letter, and on this letter I insisted I wanted the international's name on it, Mr. Gorman's

Consequently, before I turned over the supplement of the change in the welfare clause, I received a letter from Mr. Block.

Mr. KENNEDY. The supplement to the contract that was made public, made available to the employees?

Mr. SCHIMMAT. Yes.

Mr. KENNEDY. The agreement that you signed with Mr. Gorman and Mr. Block, was that made public to the employees?

Mr. SCHIMMAT. No, sir; it was not made public, for this reason—

Mr. KENNEDY. Why weren't the employees notified that you had made such an agreement?

Mr. SCHIMMAT. I was asked by Mr. Block to keep it quiet, not to publicize it, and I agreed to do it and I kept my word.

The CHAIRMAN. That is one of the problems we have. It is one of those practices that this committee has discovered in the course of its investigations that contracts are made between management and the labor leaders, and the contents kept from the members whose welfare is involved in such contracts.

This is a matter of considerable interest to the committee. I personally feel, and I imagine most other members of the committee feel, that the secret contracts between a labor leader and management are detrimental to the welfare of the union members. At least, their welfare is involved. Maybe their wages, their livelihood or working conditions, or some other factor that is of interest to them and affects their welfare is involved.

Personally, I think, and I think most Members of Congress would share this view, that the members themselves are entitled to know what kind of a contract they have, know its terms, be familiar with it, and I think further be given an opportunity to approve or disapprove.

(The witness conferred with his counsel.)

Mr. SCHIMMAT. May I say this, Mr. Chairman: I feel it is the responsibility of the union to notify the rank and file on these things.

The CHAIRMAN. Well, I am not so sure that all of the responsibility rests on you. I think management has a responsibility to its employees, too. But I don't think management has any right to enter into collusion or secret agreement with union leaders and then say "Well, it is not our fault. If they have that kind of an officer, that is their responsibility."

I think management owes a duty, in fact, I don't see how you can justify it. To me, I don't know any milder word than "reprehensible" for management and labor leaders to get out and enter into these secret agreements, because when it is a secret, it is bound to be of some advantage to one or the other or both that they don't want the men who work and pay the dues, who work for them, who are their employees, to know about it.

I can't rationalize it.

There is no justification for it at all.

Mr. KENNEDY. We have the added point, Mr. Schimmat, where, according to the previous witness, the employees were coerced into signing these cards and into joining the union.

They are brought into the union, many of them against their will. No. 2, then there is a contract signed about which they know nothing of the terms. Of course, it makes it most difficult if not impossible for them.

The CHAIRMAN. Senator Ervin?

Senator ERVIN. You entered into a secret agreement with the union officials who were supposed to be agents of your employees, from your company, and at his request you agreed that you would suppress the

knowledge of what you had agreed to from the people who were primarily interested in it; is that not true?

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. SCHIMMAT. I made this sort of an agreement, Mr. Senator, Mr. Block wanted the welfare changed. It is my position, it is my job, to make the best contract I possibly can in negotiations. Here I gave him the welfare agreement, we took it back on the company bases, paid the additional premium. I negotiated with him, and I got a protection on the 45-hour week for 33 months.

Senator ERVIN. And you got agreement from the agent of the rank and file employees of your company?

Mr. SCHIMMAT. Yes, sir.

Senator ERVIN. Which would be binding on them for 5 years?

Mr. SCHIMMAT. Binding on them for 33 months.

Senator ERVIN. You were going to assist Mr. Block in keeping them ignorant of that fact, and leading them to believe that they were only bound for 22 months; is that not so?

Mr. SCHIMMAT. It is not my job to notify the employees what is in the contract.

Senator ERVIN. It is not your job to enter into a conspiracy with the agent of the rank and file of your company who are the principals in the contract, depriving them of rights and keeping something concealed either, is it?

Isn't that exactly what you were doing? Here you have entered into a contract, and made it public, didn't you, that you made a contract for these people for 22 months only, is not that right?

Mr. SCHIMMAT. That is right.

Senator ERVIN. You put that in writing and exhibited it under the glare of the noonday sun where they could all read it and understand it?

Mr. SCHIMMAT. That is right.

Senator ERVIN. Then you made an additional contract that instead of them being bound and having their rights sold away for 22 months only, they were bound for 5 years, and you agreed with their faithless agent, who was willing to sell them down the river to that extent that you would assist him in suppressing knowledge of that fact from those who were primarily concerned, didn't you?

(The witness conferred with his counsel.)

Mr. SCHIMMAT. Well, Senator, he wanted something from my company after the contract was negotiated, which cost my company money. As a negotiator, I told him I would go along with him if he protected my company until 1957 on a 45-hour week. Those were labor negotiations. He wanted it kept quiet. I agreed to it and I did.

Senator ERVIN. In other words, you agreed with him that it was all right, since your company got such a big advantage out of it, it was all right for him to conceal, and that you would assist him in concealing it, the knowledge of the 5-year agreement from the very persons who were to be bound by the 5-year agreement?

Mr. SCHIMMAT. May I point out to you that the international name was also on that document with Max Block's name on it.

Senator ERVIN. That does not change it. You tell me that your conscience would approve conduct like that?

Mr. SCHIMMAT. Yes, sir.

Senator ERVIN. And you thought it was all right for the people who were working for your company, the people who were making profits for your company, to be sold down the river by their own agent and for you, as an officer of your company, to assist in concealing from those people, those employees making the profits of your company, the fact that they had been sold down the river by the man that was supposed to be their agent and representative?

Mr. SCHIMMAT. Senator, those are members of the Meat Cutters Union, and they look to their representative for their representation, not to us, when an agreement is made.

Senator ERVIN. Do you make it a practice to conceal from your employees the terms of the contracts which you have made with other people affecting them?

Mr. SCHIMMAT. It has been our practice that the union notify the union members of what is in the contract.

(At this point, Senator McClellan entered the hearing room.)

Senator ERVIN. The A. & P. Tea Co., do they have the policy under which they refuse to give to their own employees the terms of the contract regulating the work of their own employees, your company?

Mr. SCHIMMAT. I didn't follow that at all.

Senator ERVIN. To make it plain, this contract that you made including the secret 5-year clause was a contract under which the employees of the A. & P. Tea Co. were to labor for the A. & P. Tea Co., wasn't it?

In other words, you were assisting in concealing from your employees the terms of the contract between the A. & P. Tea Co. and your employees, were you not?

(The witness conferred with his counsel.)

Mr. SCHIMMAT. It is up to the labor leader to notify the membership of what is in the contract. It is not the job of the employer.

Senator ERVIN. Then you tell me it is not the job of an employer of labor to let the employee, his employees, know what the terms of the contract are between the employer and those employees?

Mr. SCHIMMAT. That is right. When the union is involved, the union takes care of that.

Senator ERVIN. And you are not concerned at all about it?

Mr. SCHIMMAT. No, sir.

Senator ERVIN. You will assist, you think it is all right, all right for the A. & P. Tea Co., acting through you, to conceal from the principals to the contract the infidelity of their agent? You think that is all right and that is perfectly in harmony with your conscience, isn't it?

Mr. SCHIMMAT. That is what we did in this case.

Senator ERVIN. Yes, sir; you sure did.

Senator CHURCH. You would think then when representatives of the labor union ask you to keep certain terms of the contract concealed, that since it is their responsibility to expose the terms of this contract, you can enter into such an agreement and your hands are not soiled by doing it; is that right?

Mr. SCHIMMAT. In this case, that is exactly what I did.

Senator CHURCH. I know it is exactly what you did. I am asking you if you think it is right and good, more or less, to do that sort of thing.

Mr. SCHIMMAT. I did not see anything wrong with it, sir.

Senator CHURCH. Do you see anything wrong in it now?

Mr. SCHIMMAT. No.

Senator CHURCH. You don't?

Mr. SCHIMMAT. No.

Senator CHURCH. Well, I do.

Mr. DOYLE. That is what makes——

Senator CHURCH. It seems to me that there is a very real public interest wherever you have bargaining agents representing the employees, bargaining with the employers that may employ hundreds and hundreds or thousands of people, and for contracts that deal with the bread and butter of these thousands of employees, it is very much in the public interest to proceed according to the axiom that such agreements should also be arrived at openly, according to the old Wilsonian idea, open covenants, openly arrived at. I think there is very definitely a moral responsibility that extends not only to the employee organization but also to the employer, to make clear to the people who are affected—people in this case who, by virtue of this contract, had to pay dues to this union—as to what the terms of this contract are.

And if they did not pay dues, they got fired by management, and management entered into an agreement whereby the employees did not know what the terms of this contract between the employer and the bargaining agent for the employees was. I think there is a real element of morality involved here, and if the law does not presently require that such agreements be made openly and be made known to all the people and parties affected, then I think it is certainly an area into which this Congress ought to look, in the full protection of the public interest. I think this has been a shocking exposé that we have had this past couple of days.

Mr. Chairman, I might point out that that not only involves a secret contract that was entered into that affected thousands of employees, but it also involves much evidence that the bargaining agent with whom management made this agreement was never the bargaining agent that employees wanted in the first place.

The CHAIRMAN. Is there anything further?

(Present at this time are: Senators McClellan, Church, and Ervin).

Mr. KENNEDY. I would point out in connection with this, according to the sworn evidence and testimony before the committee the A. & P. Co. coerced the employees into the union. No. 2, according to the testimony before our committee the contract that was signed was illegal. No. 3, according to the testimony before our committee the A. & P. Co. then coerced people into the union.

First they coerced them into signing the cards and then they coerced them into the union to pay dues, and fourth and finally they made a secret agreement with this union. It adds up to one of the worst situations that we have had before the committee as far as the involvement of management is concerned.

Mr. DOYLE. I don't know whether that was a question, Mr. Kennedy. I gather it is not.

Mr. KENNEDY. Mr. Schimmat is sworn. If he wants to make a comment on my statement, why shouldn't he be allowed to make a comment?

Mr. DOYLE. On behalf of the company as their attorney, appearing at these hearings, I simply say we don't agree with your summary.

We respectfully object to it. We will be glad to put a company lawyer who advised this company at the time they entered into the contract as to his opinions as to its legality, as to whether or not the employees were coerced. We do not agree with your conclusion that employees were coerced and to the extent that this contract is fraudulent. I don't think Mr. Schimmat should be called on to pass any comment on it because his knowledge on this entire thing is limited as you and your staff realize.

The CHAIRMAN. Mr. Schimmat is not asked to pass on any legal question. We are asking him to comment on the conclusion of the committee.

Mr. KENNEDY. Based on the testimony.

Senator ERVIN. I was asking about his conduct. To me it is shocking for a company like the A. & P. Tea Co., which has business all through the United States—and which has enjoyed my respect—it is one of the most astounding things to come out of these hearings and there are many astounding hearings to come out, to have a man tell me that a company supposedly as reputable as the A. & P. Co., that they entered into a secret agreement, binding upon people who had no knowledge of the agreement, and not only that but they fraudulently assisted in concealing that knowledge from the people upon whom the agreement was to be binding. That is all.

Mr. KENNEDY. What happened to that letter that you received? That was signed by Patrick Gorman and Max Block; is that right?

Mr. SCHIMMAT. Yes.

Mr. KENNEDY. What happened?

Mr. SCHIMMAT. When the new contract was negotiated, after the one I negotiated on October 11, I destroyed it.

Mr. KENNEDY. It was not necessary after that?

Mr. SCHIMMAT. No.

Mr. KENNEDY. Did you inform the other officials of the A. & P. Co.?

Mr. SCHIMMAT. No, sir.

Mr. KENNEDY. That you kept to yourself?

Mr. SCHIMMAT. Yes, sir.

Mr. KENNEDY. Was there a study made by the A. & P. Co. as to what the savings would be over having a 45-hour week instead of a 40-hour week company?

Mr. SCHIMMAT. I would assume so but I am not acquainted with it.

Mr. KENNEDY. We have a negotiating meeting, May 23, 1955, a memorandum written by L. S. Van Linten, personnel manager, Paterson, N. J., unit, and he states that a 40-hour reduction gave quite a jolt. It would cost actually \$12 million a year and the adjustment would be in next year. According to his figures it would be a \$12 million a year. I would have to predicate a question on that. Are you familiar with that memorandum?

Mr. SCHIMMAT. No, sir; I am not.

Mr. KENNEDY. Then there is another memorandum dated—

Mr. SCHIMMAT. That is certainly a wild guess, Mr. Kennedy. You say \$12 million a year.

Mr. KENNEDY. This is not our figures. This is somebody from the A. & P. Co.

Mr. SCHIMMAT. I haven't any idea.

Mr. DOYLE. This is a personnel manager in Newark, N. J., or Paterson, N. J., I am sure Mr. Kennedy you have much more conservative figures.

Mr. KENNEDY. I am going through all the figures we have from A. & P. records themselves.

The CHAIRMAN. This is L. S. Van Linten. Who is he?

Mr. DOYLE. He is personnel manager at one of the divisions in New Jersey.

Mr. KENNEDY. See if you are familiar with this. This is a memorandum dated April 6, 1955, negotiations on April 5 at the Commodore Hotel, five unit policy committees, unit officials and company negotiating committee. This is a memorandum by Van Linten in which, quoting Mr. Ratcliffe, he states:

He put the cost of about \$7 per person per week for a 40-hour work week.

We figured that to be approximately \$23,660,000 for 5 years, including the butchers. As I understand the later figures that you have, Mr. Doyle; isn't it correct?

Mr. DOYLE. Nineteen hundred and fifty-seven when the company was about to go to the 40-hour week an accurate study was made and I think the annual figure was something over \$2 million a year. Then they went into the 40-hour week and they found out it cost them little or nothing.

Mr. KENNEDY. Anyway from the records it would indicate it ranges anywhere from \$2 million a year to \$12 million a year, according to the A. & P. itself. That is a considerable amount of money no matter which way you take it.

The CHAIRMAN. Is there anything further?

Mr. DOYLE. May I ask one question, Mr. Chairman, or would you prefer that I write it and hand it to you?

The CHAIRMAN. You may address your question to the Chair. I won't require you to write it.

Mr. DOYLE. Mr. Chairman, I would like you to ask this witness what it would have cost the A. & P.'s eastern division if the Meat Cutters Union struck on October 13, 1952. That is, how much it would have cost that company per week?

The CHAIRMAN. All right. You have heard the question? The Chair will not repeat it. Do you have any idea what it would cost if the Meat Cutters struck?

Mr. SCHIMMAT. Yes. In Mr. Reynolds' statement he mentions the sum of \$750,000 per week for every week we would be down.

The CHAIRMAN. We have that threat all the time in dealing with labor unions.

Mr. SCHIMMAT. That is right.

The CHAIRMAN. All right. Call the next witness.

(Witness excused.)

Mr. KENNEDY. Mr. Patrick Gorman.

The CHAIRMAN. Mr. Gorman, come around please, sir.

You will be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GORMAN. I do.

TESTIMONY OF PATRICK E. GORMAN

The CHAIRMAN. State your name, your place of residence, and your business or occupation?

Mr. GORMAN. The name is Patrick Emmett Gorman. I am secretary-treasurer of the International Union of the Amalgamated Meat Cutters and Butcher Workmen of North America. My business residence is 2800 Sheridan Road, Chicago. My home residence is 240 Luberg Road, Louisville, Ky.

The CHAIRMAN. Thank you, sir. Do you waive counsel?

Mr. GORMAN. I do, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you been international secretary-treasurer?

Mr. GORMAN. Since 1942.

Mr. KENNEDY. How large is your union at the present time?

Mr. GORMAN. We paid on our membership last month to the AFL-CIO over \$357,000.

Mr. KENNEDY. In 1952 you wrote a letter to Mr. Schimmat?

Mr. GORMAN. That is right.

Mr. KENNEDY. Are you familiar with that?

Mr. GORMAN. I was in the back when the Senator read it.

The CHAIRMAN. I pass the letter to you so you may identify it. I believe it has been read into the record but I hand you the copy for your identification. The witness identifies the letter. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Could you tell the committee why it was that you wished to have this special meeting. "There are some things in mind which we feel will be very advantageous to the A. & P. as well as to our own organization." What is it that you wanted to discuss with Mr. Schimmat?

Mr. GORMAN. That was not one proposition, Mr. Kennedy. That was several propositions.

Mr. KENNEDY. Did you discuss at that time the bringing of the clerks into the Meat Cutters?

Mr. GORMAN. We did, sir. On the strength that it is better to have peace in the country if we can arrange it by not stopping the workers from organizing.

Mr. KENNEDY. Was one of the factors that you offered him ultimately that you were going to give A. & P. a 5-year contract?

Mr. GORMAN. No. I don't believe at that time contract negotiations were even in the mind.

Mr. KENNEDY. I am talking about later on. You say you did not discuss it at the first meeting. Later on was it finally arranged that they would not oppose you in return for a 5-year contract?

Mr. GORMAN. That was never discussed.

Mr. KENNEDY. Did they state at that time that they would turn over the employees in New Jersey to you?

Mr. GORMAN. No. They never stated they would turn over anything to us. They merely stated, you go out and get them the hard way or words to that effect.

Mr. KENNEDY. They never indicated they would help you at all?

Mr. GORMAN. No.

Mr. KENNEDY. Why did they finally assist you in your organizational drive?

Mr. GORMAN. I don't know that they did.

Mr. KENNEDY. Did you discuss at that time about granting the A. & P. Co. a 5-year contract?

Mr. GORMAN. Never.

Mr. KENNEDY. You never discussed that?

Mr. GORMAN. Never.

Mr. KENNEDY. What was it that was going to be advantageous to the A. & P. Co.?

Mr. GORMAN. There would be something advantageous on three of the propositions that we were talking about. The first of those that we were in New York for the purpose of organizing the 10,000 unorganized people that were employed by the chain.

We had a well-organized program that was staffed by our New York district council with approximately 5,000 members. Naturally we don't want strikes, we don't look for strikes. The A. & P. is not inclined to just receive you with open arms so I talked with them about the idea of not opposing our organizations. I had the feeling that if there would be opposition there would be possibly a strike. If the strike occurred there would be unemployment, it would cost the international union considerable money, it would cost the people a lot of wages, and I asked Mr. Schimmat to at least not oppose us. He was not inclined to go along with us because he assumed the same general A. & P. attitude.

Mr. KENNEDY. How were you finally able to talk him into not opposing you? Why did they agree not to oppose you?

Mr. GORMAN. We only asked them not to oppose us.

Mr. KENNEDY. Why did they finally agree not to oppose you?

Mr. GORMAN. I wouldn't know. I was not in New York a single time during that campaign. I addressed none of the meetings that they called. I might have been in New York on other business but took no part in that campaign to organize those people.

Mr. KENNEDY. Who took part? Who handled that campaign?

Mr. GORMAN. That was handled by Mr. Max Block.

The CHAIRMAN. The Chair presents to you a photostatic copy of a letter dated October 16, 1952, written on the stationery of your international union and appears to be signed by Mr. Earle W. Jimmerson as president and Patrick Gorman as secretary-treasurer of that international union. Will you examine the letter and state if you identify it?

(Document was handed to the witness.)

Mr. GORMAN. I recognize that letter, Senator.

The CHAIRMAN. Thank you. It may be made exhibit 5 and we will read excerpts from it into the record.

Mr. KENNEDY. It is addressed to the international executive board, dear sirs and brothers, signed by Jimerson and Gorman. I have some questions I want to ask you about it.

DEAR SIRs AND BROTHERS: We are happy to announce that one of the most magnificent organizing jobs accomplished by our international union in the past decade was realized in New York and New Jersey this week. The Atlantic & Pacific Tea Co. signed a contract with our various unions in New York and New Jersey which will add 10,000 new members to our organization within the next few weeks.

Could you explain to the committee how you wrote that letter regarding the successful campaign that you had in New Jersey on October 16, 1952, when you didn't sign the employees of New Jersey up until December 1, 1952?

Mr. GORMAN. Could I make mention in that letter that there is a specific statement in which I explained to the executive board that I did go to see Mr. Schimmat and I did not get any encouragement from Mr. Schimmat at all.

Mr. KENNEDY. That was on your first meeting. Now I want to find out what you mean by putting in the letter that you had signed up the New Jersey employees in this letter of October 16, 1952, when the contract was not signed for New Jersey employees until December 1, 1952?

Mr. GORMAN. I did not sign anyone, Mr. Kennedy. I think it was Mr. Block. All the information was furnished to us by the committee that was handling that campaign in New York.

(At this point, the following members were present: Senators McClellan, Church, and Ervin.)

Mr. KENNEDY. Explain that to us.

We are happy to announce that one of the most magnificent organizing jobs accomplished by our international union in the past decade was realized in New York and New Jersey this week. The Atlantic & Pacific Tea Co. signed a contract with our various unions in New York and New Jersey, which will add 10,000 new members to our organization within the next few weeks.

Mr. GORMAN. I can't explain it, Mr. Kennedy, except that the organizing drive was a success. There must have been some conferences, and as a result of that those conferences——

Mr. KENNEDY. But the organization drive in New Jersey had not started.

Mr. GORMAN. As I recall, Mr. May brought that to my attention. That might have been a mistake so far as New Jersey was concerned.

Mr. KENNEDY. What we are looking into is the fact that these people in New Jersey were coerced into the union after the contract was signed on October 11, that the same procedure was followed for them as had been followed for the people in New York, and they were all forced into the union.

I am asking a question of you whether this was part of a deal. You were giving them the 5-year contract and they, in turn, were going to turn over the employees in New York and in New Jersey.

Mr. GORMAN. I can't say, Mr. Kennedy, that anyone was forced into the union, because I was not there.

Mr. KENNEDY. You mentioned New Jersey. It is not just a slip of the typewriter. You mention New Jersey twice in here, first sentence and second sentence of the letter.

Mr. GORMAN. That would be information furnished us by the people handling the campaign.

On the basis of that information, we notified the international executive board.

Mr. KENNEDY. The contract had not been signed then. You wrote this letter 6 or 7 weeks before the contract was signed for New Jersey. Can you explain this letter at all?

Mr. GORMAN. What is on the second page? May I see it again?

The CHAIRMAN. Let me read the whole letter. Instead of making the letter an exhibit, it may be printed in the record at this point.

THE INTERNATIONAL EXECUTIVE BOARD.

DEAR SIRs AND BROTHERS : We are happy to announce that one of the most magnificent organizing jobs accomplished by our international union in the past decade was realized in New York and New Jersey this week. The Atlantic & Pacific Tea Co. signed a contract with our various unions in New York and New Jersey which will add 10,000 new members to our organization within the next few weeks.

Several months ago, at considerable expense, we started a campaign to organize the A. & P. stores in New Jersey. While some progress was made, it was not sufficient, however, to lead to optimism on our part that the campaign would completely succeed.

Each of the board members is aware that we made the trip to New York and conferred with officials of the A. & P. regarding this matter.

The company was not too anxious to look favorably upon the whole project. Our good New York coworker, Brother Max Block, of local 342, plunged into the task of making the drive successful. In this, Brother Block worked closely with Vice President Belsky. With the aid of Brother Block, there was almost an immediate electrification to the campaign. This resulted, as indicated herein, in the signing of the contract with the A. & P. on Monday of this week. All retail clerks as well as meatcutters are covered by the contract. Brother Block, we are informed, has already enrolled 3,000 for his local union. The agreement provides for a strictly union shop.

Icebox men, \$92.50 per week; journeymen, \$82.50 per week. Starting rate for female workers, \$45; starting rate of male workers, \$48; a \$10-per-year progressive increase until the top grocery salary is reached, which is \$76 per week; 45-hour week to be worked in five 9-hour days, without staggering. On work before 8 a. m. or after 6 p. m., time and one-half. Employees are now paying \$5 per month for health and welfare insurance.

This will be increased to \$10 per month, with the company paying the full cost. It would be best to keep this confidential for the present, at least it would until the full numerical strength which the agreement will provide has been safely enrolled at our various local unions in the area.

Kindest personal regards, we remain

Faternally yours,

HAROLD W. JIMERSON,

President.

PATRICK E. GORMAN,

Secretary-Treasurer.

Pass this to Mr. Gorman, please, so that he may refresh his recollection.

(The document was handed to the witness.)

MR. GORMAN. I heard you read it, Senator. I heard the letter very plainly.

THE CHAIRMAN. All right. Return it.

Proceed, Mr. Counsel.

MR. KENNEDY. I would like to have you identify this telegram, which was sent on the same day, which it appears you had sent.

THE CHAIRMAN. I hand you a copy of the telegram and ask you if you can identify it.

(The document was handed to the witness.)

THE CHAIRMAN. Do you identify the telegram?

MR. GORMAN. I do.

THE CHAIRMAN. I will read it into the record. The telegram is to Mr. Max Block, 90-01 Sutphin Boulevard, Jamaica, Long Island, N. Y.:

Because of the slowness or organizational work as per our telephone conversation yesterday, I do not believe that we should announce to our membership the magnificent job you accomplished on the A. & P. until the December issue. We could lay ourselves wide open, I am informed, for intervention. Believe you should, as quickly as possible, throw all of your help to the Jersey side in an effort to enroll quickly the 6,000 members there we shall be entitled to under the agreement. Will send you a copy of letter that we are addressing to the international executive board concerning this well-done job.

There has been a marking on there in pencil or pen since. It says, "Will send you a copy," and it indicates a copy was sent on October 16, 1952. What is the date of this wire?

I can't tell the date of it. When did you send that wire?

Mr. GORMAN. I wouldn't know, Mr. Senator, if it isn't marked on there.

The CHAIRMAN. Apparently it is not dated. I thought they always dated wires.

Mr. GORMAN. We do, we do.

The CHAIRMAN. Did you send the wire?

Mr. GORMAN. I imagine that that wire speaks for itself.

Mr. KENNEDY. If it speaks for itself, tell me what it means when it says:

Believe you should, as quickly as possible, throw all of your help to the Jersey side in an effort to enroll quickly the 6,000 members there we shall be entitled to under the agreement.

Mr. GORMAN. Let me see the telegram again.

Mr. KENNEDY. That, with the letter of October 16, 1953, indicates that there was something going on.

(The document was handed to the witness.)

Mr. GORMAN. I think as far as publication, there was no publication until December, but that that refers to publication of the existing agreement in the official journal of our organization, the Butcher Workman; the telegram itself states that that would be inadvisable because of the fact that there were 6,000 to organize in Jersey under the terms of the contract.

The CHAIRMAN. Does that mean, Mr. Gorman, that you made a contract for them before they were organized?

Mr. GORMAN. Well, now I made no contract at all.

The CHAIRMAN. I am talking about the contract that was made for them before they were organized.

Mr. GORMAN. I would not say that at all.

The CHAIRMAN. You have yet to organize them and enroll them.

Mr. GORMAN. Will you let me go further, Senator?

The CHAIRMAN. Yes.

Mr. GORMAN. There is something in here about intervention, to lay ourselves wide open for intervention.

The CHAIRMAN. You didn't want an injunction suit, did you?

Mr. GORMAN. No, I think you should understand at that time the AFL and the CIO were not one union. That in New York there was a powerful organization and in New Jersey a powerful organization that was competing against us by the name of the Wholesale and Retail Employees Union. If we announced that 6,000 were still unorganized, I am positive this refers to the possibility of the Wholesale and Retail Employees' intervening in that situation and causing conflict, which would not be good for the industry at all.

Senator ERVIN. What you were afraid of was that the CIO might file a petition asking for an election, you might be thrown an election, and the employees might have chosen the CIO union instead of yours. Isn't that what you are talking about?

Mr. GORMAN. I wouldn't know it. I wouldn't know it except on information conveyed. It has been a long time ago.

Senator ERVIN. You do know if they had been in the process of organizing on the cards, that the CIO unions could come in and petition for an election, and in that event, the employees could have chosen between your union and the CIO union, or could have chosen against both of them, couldn't they?

Mr. GORMAN. They can intervene at any time, even now.

Senator ERVIN. So what you did was, you made a contract for these employees with the A. & P. Co. before these employees knew that the contract was made, and then you sent out later to get them signed up, and you did not want to make the contract public for fear that they might not sign up, knowing that the terms of the employment were already fixed by the previous contract.

Mr. GORMAN. Wouldn't that be tactful, Senator? If we are in an organization campaign, we want them all. We don't want something that will lose four or five thousand.

Senator ERVIN. And you don't want to allow them the risk of choosing some other union, which in a free America they should be allowed to do, not being organized, under a contract not being made on their part, but being made on the part of management with your union officers, who had no authority up to that time over these unorganized workers.

Mr. GORMAN. We would do the same thing tomorrow, Senator. If we are engaged in a campaign to organize any particular applicant, we do our best, use your best tactics and put our best foot forward to accomplish that.

Senator ERVIN. You keep your best foot out of view, don't you? In other words, you believe in working in secrecy as far as possible. When was it you had your first conversation with Mr. Schimmat?

Mr. GORMAN. Senator, believe me when I say from 5 years ago this is the first time I have laid eyes on Mr. Schimmat since that time.

Senator ERVIN. When was it?

Mr. GORMAN. I believe the date is there. Mr. Kennedy knows it.

Mr. KENNEDY. August 15.

Senator ERVIN. And you were worried about these folks that did not get signed up until along about November or December?

Mr. GORMAN. I didn't talk with Mr. Schimmat about getting them signed up. I talked to him about leaving his hands off.

Senator ERVIN. August 15, you had your conversation with Mr. Schimmat. Is it not significant that a few days later—namely, on August 25, 1952—one of the officers of A. & P. Tea Co. wrote his lawyer asking for advice, and he says "There is a possibility." First, let's see if you and I understand the word "possibility." That is something that can happen in the future, isn't it?

Mr. GORMAN. That is right.

Senator ERVIN. He says:

There is a possibility that the American Federation of Labor Amalgamated Meat Cutters Union may undertake an organizational campaign without company opposition.

Mr. GORMAN. Well, that is his statement.

Senator ERVIN. Yes, but this is the statement that was made by the officers of the A. & P. Tea Co. after you had had your conference just a few days after you have had the conference with Mr. Schimmat.

Mr. GORMAN. Senator, may I repeat again that the A. & P. Tea

Co., for 30 years, opposed our organization, and is not friendly to it now, unless we organize their people thoroughly. They make no agreement with us to give people before they are organized.

Senator ERVIN. But don't you think it is rather significant, though, that you have a talk with Mr. Schimmat, and you admit that you went there to talk to get his assistance in organizing the employees of the A. & P. Tea Co., didn't you?

Mr. GORMAN. Not to get his assistance, but not to have his interference. When he interferes, he is bad.

Senator ERVIN. Listen. Just a few days after that, the A. & P. Tea Co. write to their lawyer and they tell their lawyer that there is a possibility that the American Federation of Labor Amalgamated Meat Cutters, there is a possibility, that they may undertake an organizational campaign without company opposition.

Now, you tell us that there just wasn't any agreement reached by you and Mr. Schimmat that they were to have an organizational drive there in behalf of your union without company opposition?

Mr. GORMAN. No. We admit—I admit that we talked to him about the drive that was going to be made. But even months later, when I wrote to the executive board, we didn't get any satisfaction that we were going to have any people thrown into our lap. The company does not operate that way.

Senator ERVIN. But just about 10 days after your conversation, you went there for the purpose of getting them not to oppose your organization.

Mr. GORMAN. Well, if my conversation with him, Senator, was helpful, I am glad for that.

Senator ERVIN. Yes. It is not a mere coincidence that 10 days later they go to get the advice of their lawyers as to how they are going to fare with the National Labor Relations Board, and in the event they do the possibility comes about that you are going to have an organizational drive for your union without company opposition. That is what you were there talking to them about; weren't you?

Mr. GORMAN. We wanted it without his opposition, Senator; yes, sir.

(At this point, members of the committee present: Senators McClellan, Church, and Ervin.)

Senator ERVIN. Just list even a little further about what they were asking about the legal advice right after your conversation.

This campaign may result in a strike threat and a constant recognition of the union by the company on the basis of a card check.

Did you talk to Mr. Schimmat that you could work the thing out to bring this possibility about? That your union could threaten to strike and then they could recognize you by a card check where you wouldn't be bothered?

Mr. GORMAN. No.

Senator ERVIN. No discussion like that.

Mr. GORMAN. No discussion whatever like that.

Senator ERVIN. That is about what happened; isn't it?

Mr. GORMAN. If it happened, that one little talk that I had didn't do it.

Senator ERVIN. Didn't you have an organization drive without company opposition?

Mr. GORMAN. Without company opposition?

Senator ERVIN. Yes.

Mr. GORMAN. No. That campaign cost us about \$30,000, Senator.

Senator ERVIN. You tell this committee in the face of all the testimony that has been offered here that the company did not—or rather offered any opposition to your organizing?

Mr. GORMAN. As a matter of fact, Senator, the campaign cost more than \$30,000. Where companies help you along you don't spend that money.

Mr. KENNEDY. This would be the end of September and the first 11 days of October. They might have spent some money prior to that time.

Senator ERVIN. How much money did you spend between the time you had the conversation with Mr. Schimmat on the 15th day of August 1952 and the time you signed the first contract on the 12th of October 1952?

Mr. GORMAN. I don't know. I would have to go to the file.

Senator ERVIN. You don't tell me you spent \$30,000 in organizational work between August 10 and October 12, 1952, just 2 months later?

Mr. GORMAN. That campaign went on, Senator, for about a year.

Senator ERVIN. Just wait a minute. I am talking about after you went up there and told him you wanted to organize without company opposition. Are you telling me you spent \$30,000 between the time you talked to Mr. Schimmat on August 15, 1952, and the time the contract was signed less than 2 months later?

Mr. GORMAN. No, I don't say that. I don't say that at all.

Senator ERVIN. Listen a little more. As a matter of fact, didn't the company recognize your union on the basis of a card check?

Mr. GORMAN. That is what was reported to us.

Senator ERVIN. In connection with it didn't you and Mr. Schimmat agree that the company was not going to oppose organization, that you were going to threaten a strike and then in order to justify a surrender and a reversal of their previous opposition of past years, that when you threatened to strike they were going to agree to avert a strike and the terms you would represent their employees would be on the basis of a card check?

Mr. GORMAN. Mr. Senator, I say to you that at no time, any time during the campaign to organize those people, any telephone calls, letters, telegrams, any conceivable power of communication did I have one word with Mr. Schimmat concerning a card check.

Senator ERVIN. Never?

Mr. GORMAN. Never, never, never.

Senator ERVIN. Did any of your subordinates or assistants have such conversation with him?

Mr. GORMAN. I don't know.

Senator ERVIN. Don't you know that the way you were recognized as the bargaining agent of these employees who still were not signed up was on the basis of a card check?

Mr. GORMAN. I know that.

Senator ERVIN. Yes.

Mr. GORMAN. The thing I am trying to point out, I know there was a card check—

Senator ERVIN. Somebody in your union had conversations with officers of the A. & P. Tea Co. about the card check; didn't they?

Mr. GORMAN. I know that we had the card check there. We know that. But I don't know at all that the company helped to get that card check.

Senator ERVIN. You don't know that they did not?

Mr. GORMAN. No.

Senator ERVIN. There was conversation about a card check, wasn't there, because you had a card check?

Mr. GORMAN. Not between Mr. Schimmat and me.

Senator ERVIN. Between some of the representatives of your union and the company?

Mr. GORMAN. I never had any talk with anybody in the company concerning a card check.

Senator ERVIN. Listen to my question. Don't you draw the inference that there was a conversation between representatives of your union and the company about a card check?

Mr. GORMAN. I don't know. I haven't a crystal ball. I can't see those things, Senator.

Senator ERVIN. I would think——

Mr. GORMAN. There was a count-of-card check and, on the face of that card check, I understand there was some understanding between the company and the people involved. But, as to whether they were obtained legally or illegally as far as NLRB procedures is concerned, I don't know.

Senator ERVIN. Are you saying that the understanding was between the company and the people that signed the cards?

Mr. GORMAN. I think that is legal. If the company has a right to recognize a card check——

Senator ERVIN. Is that what you are trying to infer; that the agreement about the card check was not between the union and the company but between the company and the employees of the company?

Mr. GORMAN. Where you have so many cards, Senator, that represents the union. That is a thousand members. You could not bring a thousand people down to the office of the NLRB. You have to bring the cards authorizing them. You have to bring the cards.

Senator ERVIN. Mr. Gorman, I have asked you a very simple question about five times, and thus far you have not answered it. I am going to ask it to you again. Did you intend to imply by your statement that the only activity which resulted or, rather, the only understanding that resulted in the card check was an understanding reached by the A. & P. Tea Co. and the employees of the A. & P. Tea Co.?

Mr. GORMAN. Yes, sir.

Senator ERVIN. And the union had nothing to do with it?

Mr. GORMAN. No; the union had a lot to do with it.

Senator ERVIN. That is what I am trying to get you to say.

Mr. GORMAN. The union did have a lot to do with it.

Senator ERVIN. And the union and the company were both concerned, weren't they?

Mr. GORMAN. They had a legal right to be concerned.

Senator ERVIN. You tell me that a company has a right to take cards out and get their employees to sign up these cards to join a union?

Mr. GORMAN. I didn't say that. I wouldn't admit that, and I don't know it.

Senator ERVIN. That is the reason I am a loss to understand why you went out of your way a while ago to imply that the understanding was between the company and the people concerned about the card check.

Mr. GORMAN. Our people had to go out, as I understand it, go into the stores, get these people to sign for bargaining rights, which is legal under the NLRB. After they have so many, if the company recognizes those cards as being legitimate, they have a right to give some sort of agreement to the organization.

Senator ERVIN. Here we have this letter that is written by the officer of the company to his lawyer for legal advice, which he says is a possibility that your union will undertake an organizational campaign without their opposition; that it might result in a strike threat, and the strike threat might result in the company recognizing the union on the basis of a card check; all that came to pass, didn't it?

Mr. GORMAN. You are reading a letter that I never heard of, Senator, before, and you seem to want to attribute to me that I had knowledge when I did not.

Senator ERVIN. No; I am just pointing out the fact that this man wrote a letter in which he assumed after a conversation with you, one of the officers of the union, wrote a letter in which he assumed the role of a prophet and he says there might be an organizational drive by your union without company opposition; that there might be a strike threat, and then the company might give recognition to the union on the basis of a card check rather than an election.

Then he says, if these things come to pass, the fruition of foregoing events would be in the form of a 5-year contract with a yearly wage-reopening position. Doesn't it strike you that it is rather significant that, after you talked to Mr. Schimmat, an officer of the A. & P. Tea Co. wrote a letter in which he was good enough prophet to foretell exactly what did happen in this connection, even down to the secret 5-year agreement about the contract?

Doesn't that strike you as rather strange coincidence to happen all by accident and without any prearrangement between you and Mr. Schimmat?

Mr. GORMAN. I say again, and I repeat again, that I had no arrangement with Mr. Schimmat or any other single person connected with the A. & P. by any such thing as a contract on a card check that was not legal or any other kind of a card check.

Senator ERVIN. Everything that this lawyer was saying was a possibility that might come to pass in the future, and it did come to pass.

Mr. GORMAN. If you pardon me for taking the time, there was a captain in Chicago that asked me would I try—a lieutenant——

Senator ERVIN. You are going off. You are supposed to answer my question, first.

Mr. GORMAN. I want to get back to the one thing——

Senator ERVIN. Instead of telling your anecdote—and then tell your anecdote. I say isn't it rather strange——

Mr. GORMAN. You want me to say things that I can't say. I can't say them, truthfully.

Senator ERVIN. You can truthfully say that if you didn't have any conversation, and no conversation was had by the union officials

with the A. & P. Tea Co. to where there was a possibility that there was going to be an organizational drive without company opposition and there was a possibility that, pursuant to a strike threat, the company would capitulate and agree to recognize the union on the basis of a card check, and that the fruition of these possible events would be that the company was to get a 5-year contract binding their employees, represented by a union which had not signed them up—don't you think it is a rather strange thing that the lawyer was such a great prophet of all this coming about?

Mr. GORMAN. It may sound strange to you, Senator. As far as I am concerned. I knew nothing about the contents of that letter; talked nothing of the contents of that letter with Mr. Schimmat or any other A. & P. official. That is all I can say.

Senator ERVIN. And you never discussed any of these matters?

Mr. GORMAN. Never.

Senator ERVIN. Except about the one that you wanted a recognition without company opposition?

Mr. GORMAN. I didn't say that, either, Senator. I said my purpose was threefold or fourfold, to Mr. Schimmat, and one of the things was to tell him that we were going to try to put that campaign over and not to oppose us.

Senator ERVIN. It is strange to see what the lawyers, when asked the question as to what might happen if all these things occurred and how the CIO union might come into the picture—don't you see any relationship between that and the fact that you wired and told them to keep this matter quiet until December?

Mr. GORMAN. I would do that again, Senator. I would do that again, rather than jeopardize our position of getting all of these people.

Mr. KENNEDY. I would like to say, in connection with the point of Senator Ervin, here you have this telegram—first, you have the letter saying you have the New Jersey people signing up 6 weeks prior to the time you have them signed up, and you have a telegram here:

Believe you should as quickly as possible throw all of your help to the Jersey side in an effort to enroll quickly the 6,000 members there we shall be entitled to under the agreement.

What agreement are you talking about?

Mr. GORMAN. That must have been the agreement negotiated in New York.

Mr. KENNEDY. That was the agreement that the company was going to turn over the New Jersey employees to the meatcutters?

Mr. GORMAN. Turn them over?

Mr. KENNEDY. Yes.

Mr. GORMAN. I don't know anything about that.

Mr. KENNEDY. Don't tell me that; you say it in your telegram. You say it in your letter.

Mr. GORMAN. The agreement must have been signed.

Mr. KENNEDY. The agreement that you had was that the employees in New Jersey were going to be turned over to the meat cutters?

Mr. GORMAN. Turned over.

Mr. KENNEDY. Yes. That is what, in fact, happened?

Mr. GORMAN. Who said they were going to be turned over?

Mr. KENNEDY. You say this. You say, "We are entitled to them under the agreement."

Mr. GORMAN. That is to go out and get them.

Mr. KENNEDY. You don't have to have an agreement to try to organize. Since when has a labor union needed an agreement to go out and organize? You know that is not correct, Mr. Gorman.

Mr. GORMAN. All I know, the information was passed on to me, and that was the basis of that telegram.

Mr. KENNEDY. The information was passed on to you that the employees in the New Jersey area were going to be turned over to your union; isn't that right?

Mr. GORMAN. The best contracts are with us in the country.

Mr. KENNEDY. I am not saying it is not the best contract. I say you knew that these employees were going to be turned over to the Meat Cutters. You knew it, obviously, from the letter you sent and the telegram?

Mr. GORMAN. Yes.

Mr. KENNEDY. What about the fact you were also aware of the fact that you were given a 45-hour week for a 5-year period?

Mr. GORMAN. I don't know anything about that.

Mr. KENNEDY. Do you deny the fact that you signed an agreement with Mr. Block extending the 45-hour week for the extra 33 months?

Mr. GORMAN. I don't deny a thing that I can't remember.

Mr. KENNEDY. Have you signed any secret agreement?

Mr. GORMAN. Let me explain to you. I have to go back to Mr. May. When Mr. May come into our office——

Mr. KENNEDY. You don't have to go back anyplace, Mr. Gorman.

Mr. GORMAN. It must be in the record here somewhere.

Mr. KENNEDY. Your memory before the committee is just an incredible situation.

Mr. GORMAN. Shouldn't the statement I made to you be in the record? Mr. May came to my office and got out a letter, and we placed all the facilities of our office at his disposal so he could look for any letter. He came up with a letter supposed to be, or was, on the letterhead of, I think, local 342.

Mr. KENNEDY. That is correct. That is exhibit No. 4.

Mr. GORMAN. After he did that, after he got that letter, he come into my office, very courteous, and said, "Mr. Gorman, will you come in and look at this letter?" I looked at that letter. He said, "Do you recognize it?" I didn't then, Senator—I mean Mr. Kennedy—and I don't now recognize that letter.

(At this point, the following members were present: Senators McClellan and Ervin.)

Mr. KENNEDY. We have had testimony——

Mr. GORMAN. But I said to Mr. May—he said, "Mr. Schimmat said that you signed that letter," and I told him that, "If Mr. Schimmat said that I signed that letter, Mr. Schimmat is a man of honor, and I will take his word that I signed it."

Mr. KENNEDY. Mr. Schimmat has testified before the committee that you signed the agreement extending the 45-hour week for an extra 33-month period. Did you sign that letter?

Mr. GORMAN. I said that, if Mr. Schimmat said it. I don't recollect it, even now, but I will take what Mr. Schimmat said; that I did sign it. I will take his word for it.

Mr. KENNEDY. That is rather an important matter. Do you sign many things like that?

Mr. GORMAN. I sign hundreds of letters every day. You see, for instance, before I left——

Mr. KENNEDY. On terms of contracts, do you sign many agreements such as that, extending terms of contracts?

Mr. GORMAN. Yes; there are supplemental agreements. I mean sometimes agreements are modified through the life of the contract.

(At this point, Senator Church entered the hearing room.)

Mr. KENNEDY. Do you make sure that those agreements are made known to the employees?

Mr. GORMAN. Well, they should be made known to employees.

Mr. KENNEDY. I draw your attention in that connection to the testimony of Mr. Reape, who testified that he received an agreement from you, prior to the time he brought his union into the Meat Cutters, that you would take steps to get a 40-hour week for the A. & P. employees; that he tried to make efforts when the contract came up for renewal to get that 40-hour week, and he could not get Mr. Block to agree to it. So, then, because he had gotten this promise from you, he said that he went out to see you, and he relates his conversation on page 41. He said:

I said, "You made a promise and I am here to demand my pound of flesh."

Those are the exact words I used. I said, "There have been rumors that a 5-year contract was signed, and I don't know whether or not that is so." I said, "Mr. Gorman, do you know anything about a 5-year contract being signed with A. & P.?" Mr. Gorman's answer to me was, "Well, if Max Block made a promise to A. & P., I guess he would live up to it."

Did you inquire after that to find out if such a promise had been made?

Mr. GORMAN. Yes; I did.

Mr. KENNEDY. What did you find out?

Mr. GORMAN. That there was no such agreement.

Mr. KENNEDY. When?

Mr. GORMAN. That was 2 or 3 times. As late as yesterday.

Mr. KENNEDY. When did you inquire yesterday?

Mr. GORMAN. It was months ago.

Mr. KENNEDY. I asked you yesterday if you had ever inquired, and you said you never had inquired.

Mr. GORMAN. Here is what I said to you yesterday——

Mr. KENNEDY. Mr. Gorman, you told me yesterday you never inquired. I asked you about the conversation with Mr. Reape, and you said, "I never bothered to look into it."

Mr. GORMAN. Well, let's agree, then, that probably before yesterday I did not.

Mr. KENNEDY. Let's get it straight. Did you or didn't you?

Mr. GORMAN. I probably did not.

Mr. KENNEDY. Then yesterday was the first time that you inquired?

Mr. GORMAN. Let's have it on the record that way.

Mr. KENNEDY. Why didn't you try to find out at that time?

Mr. GORMAN. You asked me a question about Reape. Can I get that into the record?

Mr. KENNEDY. All I asked you was about the conversation that you had with Mr. Reape about the 45-hour week.

Mr. GORMAN. I don't recall Mr. Reape ever saying that I came down for my pound of flesh. Mr. Reape is not that type of a fellow. If he did it, he said it jokingly. On the 40-hour week, the international union in New York was not in a very good position, because at that time fully 80 percent of the entire country in the retail trade was on the 45-hour week.

Even the big Pittsburgh local union, as I recall, did not have the 40-hour week in 1942. Even now, there are approximately from 8 to 10 percent of the people in the retail trade that does not have the 40-hour week. They are still on the 45- or 48-hour week.

Mr. KENNEDY. Safeway Stores had it at that time.

Mr. GORMAN. Safeway was the only one, and they only had 1,500 employees out of approximately 25,000 or maybe 35,000 people in the retail stores.

Mr. KENNEDY. Of course, No. 1, besides the merits of the matter is the fact that the agreement had been made with Mr. Reape, and he came out and tried to get you to live up to it, and you dismissed him at that time. The second thing is that the secret agreement had been signed by you, secretary-treasurer of the international union, which was never made known to the employees of the union. I would think that that violates all the principles of trade unionism.

Mr. GORMAN. No, I don't think you can attribute that entirely to the secretary-treasurer.

Mr. KENNEDY. You and Mr. Block.

Mr. GORMAN. If I did sign it, and I don't recall it, I admit signing it because Mr. Schimmat says I signed it.

Mr. KENNEDY. All right.

Mr. GORMAN. If I did sign it, it went back to the organization and it was strictly local negotiations.

Mr. KENNEDY. Mr. Reape came out 2 years later or a year and a half later and said, "What about this?"

You didn't repudiate it at that time.

Mr. GORMAN. Pat Reape was constantly, and he had a justifiable complaint, and that was that his own position was not too good so long as his own little 1,500 people was getting the 40-hour week and the bulk, the other thousands upon thousands were not getting the 40-hour week.

I could not have made a promise, I could not have made a promise, a definite promise, to Pat Reape that we would guarantee to get the 40-hour week for him. That is an impossible thing, because that is a negotiable thing. You have to negotiate for 40-hour weeks. I could not have promised. But I was always sympathetic toward Pat Reape that we might eventually get the 40-hour week. May I read just one thing to you, Mr. Kennedy?

Mr. KENNEDY. I would just like to say that that does not answer this question at all, Mr. Gorman.

Mr. GORMAN. What is the question?

Mr. KENNEDY. The point is the signing of a secret agreement for the 45-hour week extending over a 5-year period of time, that Mr. Reape comes to you, draws this to your attention, and you don't say "Well, on the merits, I don't think we can go for a 40-hour week." You don't handle it in that way at all, but you just dismiss the whole matter. You have been a part of signing a secret agreement.

Mr. GORMAN. I think it is probable that we might have, if not on that occasion, talked about the improbability of getting a 40-hour week, because these people were new people. They were not organized. They were not trained.

Mr. Kennedy: That is not the way to handle it at all, Mr. Gorman. Maybe it was justified, but that is not the way to handle it.

These people were entitled to know what the terms of the contract were, and you participated in keeping it secret. I have a few other matters.

The CHAIRMAN. Let me ask the witness a question. In this original letter that you wrote, in which you pointed out that you had something very advantageous both to the A. & P. Co. and to your union, at that time you did not have a bargaining contract.

You did not have authority to represent the A. & P. employees in making the bargaining contract. It seems on the face of the evidence here that what actually happened, and what you had in mind and what subsequently transpired, was that if A. & P. would quit its opposition to the union and help you, and that is what the other witness—what is his name?—testified that you wanted at the time, that you wanted him to help you organize the A. & P. clerk employees, that if they would help you organize them, by reason of that you would get about 10,000 new members, and in turn you would assure them of a 45-hour week for 5 years, and thus save them anywhere from \$2 million to about \$14 million a year. Such an arrangement obviously was most advantageous to both you and to the company, and yet not advantageous to the employees.

That seems to be what the two moving considerations were that evidently motivated the transactions as they were negotiated and consummated.

That is the way it appears on the face of it.

Mr. GORMAN. I can only say to you again, Senator, that at no time in my conversation, and I have had only one conversation in 5 years and have not seen him since that time, did I say anything to him about a 45-hour week. I did not.

The CHAIRMAN. All right. Let's accept that.

Mr. GORMAN. Nor did I ever say to him "We want you to put your people into our organization." We did try to induce him not to oppose our organization.

The CHAIRMAN. We will accept that as a fact now for the purpose of further proceeding. But immediately according to your wire here, and your report to the executive board, Mr. Block moved in.

Mr. GORMAN. Mr. Block was in from the beginning, sir.

The CHAIRMAN. All right. But he was not in that conversation, the first conversation you had with Mr. Schimmat. He was not present in that first conversation, was he?

Mr. GORMAN. I don't think he was. I am not sure.

The CHAIRMAN. All right. But immediately he moved in, and that is the way the deal turned out. Ten days later a letter is being written in which they are inquiring about the legal possibilities and so forth of such an arrangement from their attorney. Obviously, on the face of it, unless somebody can come in here with an explanation, I don't see how we can draw any other conclusion except that there was collusion for the interest and advantage of your union in organiz-

ing, so that it would get 10,000 members, and so that the A. & P. Tea Co. would get a 45-hour week for 5 years.

That is the way it appears on the face of it. It is sustained. I mean by the testimony now before us.

Senator CHURCH. Mr. Gorman, what are the dues of your union?

Mr. GORMAN. The dues to our international office is \$1.40 a month per member, Senator.

Senator CHURCH. How much does a member have to pay all told? What are the dues that he pays to the local?

Mr. GORMAN. That is established by the local unions.

Senator CHURCH. Do you know in this case how much the total dues were?

Mr. GORMAN. In those days?

Senator CHURCH. In those days.

Mr. GORMAN. I don't know what the dues are now, Senator. I don't know what they are now.

The CHAIRMAN. The testimony was that they were \$4.

Mr. GORMAN. At that time?

Senator CHURCH. Total dues of \$4 a year?

The CHAIRMAN. No. Four dollars a month.

Senator CHURCH. Four dollars a month?

Mr. GORMAN. A month; yes.

Senator CHURCH. And of that amount, the international receives \$1.40; is that right?

Mr. GORMAN. That is right.

Senator CHURCH. So the addition of 10,000 members would be \$14,000 a month to the international; is that correct?

Mr. GORMAN. I think you should know, Senator, that some portion of those dues are frozen. For instance, 15 cents of it goes into the death fund which cannot be touched for any purpose.

In this case, 15 cents goes into the retirement fund which cannot be touched for any purpose, and 10 cents goes into the strike fund which cannot be touched except for the purpose of keeping people in good when they are on strike. And there is \$1 for the general running expense of the International Union.

Senator CHURCH. Taking into consideration as you quite properly point out that certain portions of this money are earmarked under your arrangement, \$1 of the amount or \$10,000 a month would have come in for general operations of the International as a result of acquiring 10,000 new members; is that correct?

Mr. GORMAN. That is correct.

Senator CHURCH. With respect to the supplemental agreement that we have had testimony on as having been secretly arranged for between the Meat Cutters' Union and the A. & P. Co., did I understand you to say that you did not know that this agreement was going to be kept secret from the employees?

Mr. GORMAN. So far as I am concerned, Mr. Schimmat never had any agreement with me. Again, he never made any mention to me. When I was in the back, I heard him say that some mention was made by another person that it be kept secret. But Mr. Schimmat never heard that from me, never did, and no one else ever heard it from me.

(At this point Senator McClellan withdrew from the hearing room.)

Senator CHURCH. Did you know in fact that the agreement was going to be kept secret?

Mr. GORMAN. I did not, Senator.

Senator CHURCH. You did not?

Mr. GORMAN. No.

Senator CHURCH. How do you feel about a practice of entering into an agreement with an employer that affects 10, 1, or 1,000 employees—the number really doesn't matter—how do you feel about an agreement that is entered into between the union and the employer that is kept from the employees?

Mr. GORMAN. Well, it isn't the best practice.

Senator CHURCH. It is not even a decent practice; is it? Would you call it even a decent practice? Would you say that it accords with sound and healthy unionism in this country, to enter into such agreements?

Mr. GORMAN. There may be some cases in which an agreement of that kind might be substantiated. There could be, maybe, a half dozen cases. For instance, you might substantiate that— "Well, I am a little, small, chainstore. I am competing against the A. & P. All right. I am going to go along with the darn thing, but maybe when the A. & P. hears that I sign up, they work that way—maybe when they hear that I have signed your contract, too, they may give 3, 4 or 5 hours less on the week. I don't know that they will do it, but a little fellow like me ought to have some protection."

O. K., we will go along with it.

"Will you give me a little side?"

That could happen in the interests of the smaller fellow. We have an interest in the small fellow, too, the fellow who runs one store, not the big chain like the A. & P., but not to put him out of business, either.

Senator CHURCH. These contracts that are entered into, you are the bargaining agent for these employees, are you not?

Mr. GORMAN. The local union involved.

Senator CHURCH. You represent the interests of the employee?

Mr. GORMAN. That is right.

Senator CHURCH. So your primary fiduciary relationship runs to the employees and not to any other party?

Mr. GORMAN. That is right.

Senator CHURCH. As a matter of fact, if it would begin to run to another party other than the employees, it would be very difficult for you to represent the best interests of the employees, wouldn't it, because you would be working for two different competing interests?

Mr. GORMAN. It has always been hard for us to organize. There has always been one interest. The primary interest is with the workers.

Senator CHURCH. That is right. Your interest and responsibility runs to the employees, the employees for whom you bargain, and no one else?

Mr. GORMAN. That is right.

Senator CHURCH. Isn't it always in the interest of the employees you represent that they know what the terms are of the contract that affects their employment?

Mr. GORMAN. This is the first case I heard of that they did not know it, if this is true that they did not know it, and I assume that it is.

(At this point, the following members of the committee were present: Senators Ervin and Church.)

Senator CHURCH. So with respect to the facts of this case you would feel that it was highly improper to keep the terms of this supplemental agreement secret and not reveal them to the employees?

Mr. GORMAN. Let me put it this way: I think it would have been much better had everyone been told about it.

(At this point, Senator McClellan entered the hearing room.)

Senator CHURCH. I agree with you there.

Senator ERVIN. Won't you go further than that. Wouldn't you say that decency and a proper regard for humanity required that the employees be advised of the terms of such an agreement as was made with Mr. Schimmat, the secret agreement?

Mr. GORMAN. Decency is a misunderstood word. I will go along with you on the other.

Senator ERVIN. Don't you think that the fairest, simplest, minimum requirements of ethics required that?

Mr. GORMAN. Yes.

Senator ERVIN. In other words, here you have 10,000 people that are paying almost half a million dollars altogether in union dues a year and here is a negotiating agent who is supposed to represent them, who enters into a secret contract extending the terms of their employment from 22 months to 60 months and requests the representative of management to join him in fraudulently concealing that knowledge from all of the people who are paying those union dues?

Mr. GORMAN. You say that they pay \$10,000 a month or such as that to the international union?

Senator ERVIN. I didn't say "International." I said all union dues. The evidence is that they were paying something like \$4.50 a month. That is almost \$50 a year. Ten thousand people paying \$50 a year are paying \$500,000 a year.

Mr. GORMAN. They are getting the best wages in the country.

Senator ERVIN. You go off on a tangent. I never asked you that. I was asking you about whether you didn't think that was a reprehensible thing for the negotiating officer to do, to make a secret contract, and then to get management to enter into an agreement with him to fraudulently suppress knowledge of the fact that the terms of the employment of these people were being extended from 22 months to 60 months without their knowledge or consent, whereas they were paying almost half a million dollars a year into the union treasury.

Mr. GORMAN. We could pay that back to them in the same amount of time. We have obligations to those people not only as members.

Senator ERVIN. You have one obligation which ought to be your primary obligation and that is to tell them under what terms you are agreeing for them to work under.

Mr. GORMAN. If they have trouble with their companies tomorrow we have to pay them, we have to see that they are not in want. We could spend a half million dollars in a strike as we have done on more than one occasion, half a million dollars on one strike. That is their money. It belongs to them.

If they are in trouble, we give it back to them.

Senator ERVIN. They are also entitled to know the terms of their employment.

Mr. GORMAN. I would agree with you. You can't point to one single case. This is the first time in 61 years in our organization that a case has come up; the first time.

Senator ERVIN. What have you done about it since you found out about it?

Mr. GORMAN. I didn't hear about it until today.

Senator ERVIN. You never heard about it until today.

Mr. GORMAN. I heard rumors about it. I was anxious to hear what Mr. Schimmat had to say.

Senator ERVIN. When did you hear rumors that the negotiating representative of the union had requested the officials of the A. & P. Tea Co. to join him in suppressing information about this secret agreement? When did you first hear the rumors about it?

Mr. GORMAN. At the time when Pat Reape came and asked me if there was a secret agreement on it.

Senator ERVIN. When was that?

Mr. GORMAN. I believe that is in the record. I don't recall it. It must be in 1955 or 1956.

Senator ERVIN. About 3 years ago you heard rumors to that effect and you didn't stop to investigate the rumors?

Mr. GORMAN. How would you prove it?

Senator ERVIN. I would find out. I would call in the man who negotiated the contract and ask him about it and then I would go to Mr. Schimmat and see what he had to say about it.

Mr. GORMAN. I have not seen my signature yet on any agreement.

Senator ERVIN. You told us you didn't know whether you signed it.

Mr. GORMAN. I am only aware I signed it because if Mr. Schimmat said I signed it, I will take his word for it. Mr. Schimmat has not shown me my signature. No one else has shown me my signature. Yet if he said it, I will stay with him, yes, I signed it.

Senator ERVIN. The truth of it is that your signature has been destroyed?

Mr. GORMAN. I didn't destroy it, Senator.

Senator ERVIN. You still have not answered my question. Why didn't you investigate the rumors to see what a bargaining representative of your union, one of the locals, had been so faithless to his trust to the employees that your union represents as to agree to suppress from them knowledge of the fact that the contract had been extended from 22 months to 60 months? Why didn't you investigate to see whether there was any basis for those rumors?

Mr. GORMAN. Well, it wasn't done. It just wasn't done.

Senator ERVIN. Don't you think it ought not to have been done?

Mr. GORMAN. Let us agree that maybe it should have been done. But I think the end justifies the means. Everything they dreamed for they have gotten, the 40-hour week—

Mr. KENNEDY. The reason you didn't investigate is because you signed and knew about it?

Mr. GORMAN. That is right.

Mr. KENNEDY. You knew about this agreement extending it for 5 years?

Mr. GORMAN. Knew about the agreement?

Mr. KENNEDY. You signed the agreement?

Mr. GORMAN. I know but as I said yesterday to you, Mr. Kennedy, I still don't remember signing that agreement. But if he said I signed it, I did.

Mr. KENNEDY. That is why you didn't investigate it. You signed it so there was not any reason to investigate it. Isn't that right?

Mr. GORMAN. No, I wouldn't say that. In the absence of my memory of signing that thing, I don't recall it, I don't remember signing it. I stood by that position. I still do. If Mr. Kennedy said I did sign it, I will take his word for it.

Mr. KENNEDY. The point is that when Pat Reape came out he told you that there was a rumor around that there was such a secret agreement. He came out and brought this to this man's attention. I say that the logical thing to do under those circumstances, if he didn't have any firsthand information and knowledge, would be to call up Max Block and ask him about it.

Mr. GORMAN. Let us agree, Mr. Kennedy, we should.

Mr. KENNEDY. The reason you didn't do it is because you knew about it and because you signed it?

Mr. GORMAN. You insist that I did know about it. If I did, I had no recollection of signing it.

Mr. KENNEDY. I say the logical thing to do for the ordinary human being would be to call up and find out about it, if somebody came all the way from New York to Chicago and complained about a secret agreement. The testimony before the committee is that you signed this agreement. I say the logical thing to do, if you didn't know anything about it, would be to call.

If you knew everything about it, it wouldn't be necessary to call. That would point, obviously, to the fact you did know about it. You knew it was a secret agreement, Mr. Gorman. Won't you admit to that?

Mr. GORMAN. I won't admit I knew I signed that agreement. I only admit now that I signed it because Mr. Schimmat said it.

Mr. KENNEDY. Don't you agree you signed it and you knew it was secret?

Mr. GORMAN. I don't remember now I signed it. I will only say I will take Mr. Schimmat's word that I signed it.

Mr. KENNEDY. Have you arranged for the international to have any financial transactions with Mr. Block?

Mr. GORMAN. Except donations for the campaign.

Mr. KENNEDY. Whose campaign?

Mr. GORMAN. The campaign to organize the A. & P. stores.

Mr. KENNEDY. Other than that you have had none?

Mr. GORMAN. When the campaign was over, if you talk about financial transactions, when that campaign was over, and those people were members of our organization, they need expansion in their offices, and they borrowed from the international union some \$10,000 for new equipment.

Mr. KENNEDY. Did they pay that back?

Mr. GORMAN. We are asking them, inasmuch as they didn't pay it back, to extend the note. We will give them an extension on the note if they pay the interest. All we want is the interest on the note.

Mr. KENNEDY. Do you know how that \$10,000 was used?

Mr. GORMAN. No. It was for the purpose of remodeling and building their office, new equipment, et cetera. It is a reliable local union and if they want it for other purposes, maybe an expansion of anything that might be in the organizational field, it is a legitimate organization, and they can pay their debts, and we expect interest on the note in accordance with the terms of the agreement under which it was loaned.

Mr. KENNEDY. You mean the union of Mr. Block is a reliable union?

Mr. GORMAN. Yes; it is.

Mr. KENNEDY. Are you familiar with the testimony of Mr. Louis Marcus, of New York, in the trial of George Scalise regarding the granting of this charter to the Blocks?

Mr. GORMAN. I never heard of Mr. Marcus at all.

Mr. KENNEDY. He was an attorney and he testified in this trial of George Scalise. Have you heard of George Scalise?

Mr. GORMAN. I don't know him. I know him by sight only. I never spoke a word to him in my life.

Mr. KENNEDY. He spent a good deal of time in jail, did he not, according to the newspapers?

Mr. GORMAN. According to the newspapers, he evidently did.

Mr. KENNEDY. For extortion and other matters. He was asked a question at that time:

Did you have any further contact with any other union at the instigation or direction of Scalise?

Answer. I did. Therefore, I believe it was in the same year, 1934, Mr. Scalise asked me to come to see him at his office at 1 Hansom Place, which I did. He told me he would like to get a Butchers and nonkosher Butchers in the Borough of Brooklyn. At that time I represented the Butchers' Union in New York, and I told him I could get a charter for nonkosher butchers in Brooklyn providing I know who is going to be in this union, because I told him that the Butchers organization would not have anyone but butchers in the organization. He mentioned the names of Max and Louis Block, both of whom I knew to be butchers, and I said "That is very good; I will get you the proper applications, and you fill them out and I will do all I can to get you this charter."

I asked him who, if anybody, was going to finance the proposition because I told him that the Butchers' International would not advance any finances for organization and he said, "Augie and myself."

Then he was asked the question,

Augie and myself?

Answer. That is right.

Was that the same man you referred to as Augie Pizzano?

Answer. I believe so.

Do you know who Augie Pizzano is?

Mr. GORMAN. I never heard of him.

Mr. KENNEDY. He has been arrested 12 times and spent a long time in jail. You never heard of him?

Mr. GORMAN. I never heard of him.

Mr. KENNEDY. A very notorious gangster. Did you know there had been that testimony regarding the Blocks and how they got into the union?

Mr. GORMAN. What you read to me there is so far from the truth it is laughable because I happen to know that situation.

Mr. KENNEDY. Would you explain how they got their charter?

Mr. GORMAN. I mean that testimony just doesn't make sense.

Mr. KENNEDY. You explain it.

Mr. GORMAN. In New York—when we were going fairly well in other parts of the country in organizing the people in packing plants within our jurisdiction—in New York we had a woefully weak organization. As I recall we had about three local unions with only a few hundred members in them.

We tried to organize and bosses, figuratively speaking, beat your brains out. You could not get to first base with them. We had a vice president there by the name of John Walsh and he met the Blocks. He told them, "If you are as good organizers as you think you are, go ahead and organize this town and take in any money that you want to as long as they are in our particular industry." It was John Walsh who got the charters for the Blocks and not anyone else.

Mr. KENNEDY. Who financed the Blocks?

Mr. GORMAN. Without looking at the records, I presume there was some money given to the Blocks. I am not sure of that.

Mr. KENNEDY. The point of this was that George Scalise financed the Blocks, and Augie Pizzano—

Mr. GORMAN. If he did, we didn't know it.

Mr. KENNEDY. Have you had any financial transactions other than the \$10,000 with the Blocks or any company they have had an interest in?

Mr. GORMAN. No.

Mr. KENNEDY. Have you arranged for the international to have a financial transaction with the Blocks or any company in which they had an interest?

Mr. GORMAN. I don't know whether they are owners or not. They were interested at least, one of them, and in an institution up in Connecticut.

Mr. KENNEDY. What is the institutions called?

Mr. GORMAN. It is a country club with a golf course on it. Deercrest.

Mr. KENNEDY. Deercrest Country Club?

Mr. GORMAN. That's right.

Mr. KENNEDY. That is in Stanford, Conn.?

Mr. GORMAN. I would not know the point in Connecticut. It is in Connecticut. I have never seen it or have been there.

Mr. KENNEDY. Did you arrange for the international to loan \$25,000 to the Deercrest Country Club?

Mr. GORMAN. Yes, I did.

Mr. KENNEDY. Did you talk to Max or Louis Block in connection with that?

Mr. GORMAN. Only Max. I did not talk to Louie at all.

Mr. KENNEDY. Did you ever discuss that loan of \$25,000 with your international executive board?

Mr. GORMAN. Yes, it was approved.

Mr. KENNEDY. When was it approved?

Mr. GORMAN. As I recall, your man yesterday in Chicago found it. I don't know the date. But prior to the purchase of the stock.

Mr. KENNEDY. We can find no mention of it in your international executive board minutes.

Mr. GORMAN. While I am looking at that, or waiting for this, I think it should be in the record concerning that Deercrest Club, Mr. Kennedy, that when Max Block talked to us about it he had a pro-

spectus concerning it, and we wouldn't buy, although it looked to be a pretty good thing from an investment viewpoint. We wouldn't buy. We wanted additional surety over and above what they offered in the bonds and stocks that they were offering.

On the suggestion of our legal adviser and also investment adviser, Mr. Joseph Sullivan, he said that if Max Block himself will personally guarantee this loan in addition to the Deercrest Country Club, it will be all right.

On the strength of the properties of the club itself, in addition to that, the personal pledge of Max Block, which we have attached to the bonds, the \$25,000 was loaned and it is the best investment that the international union has today. Out of its \$8.5 million invested, that pays the most dividends to the money involved.

(At this point the following members were present: Senators McClellan and Ervin.)

Mr. KENNEDY. How many country clubs has your union invested in?

Mr. GORMAN. None.

Mr. KENNEDY. That is the only country club?

Mr. GORMAN. Yes.

Mr. KENNEDY. Where are the rest of your funds?

Mr. GORMAN. Well, there are approximately, I would say, pretty near \$9 million that is invested exclusively in United States Government bonds. As I recall, not more than \$40,000 is in investments that could be considered speculative.

Mr. KENNEDY. Is this \$25,000 included in that?

Mr. GORMAN. Yes, that is including that \$25,000.

Mr. KENNEDY. And that is in this country club, is that right?

Mr. GORMAN. That is in that country club.

Mr. KENNEDY. Were they trying to build a golf course at the time?

Mr. GORMAN. I have never seen it, Mr. Kennedy.

Mr. KENNEDY. What did they need the \$25,000 for?

Mr. GORMAN. It was formerly patronized, and I understand one of the best clubs in Connecticut. However, as Max told me, it was running down a little bit, and they needed some money to make repairs. I think it is a sort of exclusive place, that they only take in so many members. Whether it was for a golf course—the golf course, I think, was there. It might have needed some improvement. I don't know.

Mr. KENNEDY. Did that improve the attractiveness of the loan, the fact that it was an exclusive place?

Mr. GORMAN. I have never seen it. They showed me pictures of it.

Mr. KENNEDY. You mentioned that several times.

Mr. GORMAN. What is that?

Mr. KENNEDY. The fact that it was exclusive.

Mr. GORMAN. I don't think it was open to the general public.

Mr. KENNEDY. Was that one of the reasons you made the loan?

Mr. GORMAN. We seemed to think that it was a safe investment.

Mr. KENNEDY. Did you understand that the Blocks owned that?

Mr. GORMAN. I don't know who owns it. I understand one, at least, Louis, is interested in it. Whether Max is, Mr. Kennedy, I don't know.

Mr. KENNEDY. Louis has the major interest in it, does he not, in the country club?

Mr. GORMAN. Made me an interest?

Mr. KENNEDY. Major interest?

Mr. GORMAN. I wouldn't know.

Mr. KENNEDY. When they spoke to you about it, didn't they explain they had a major interest in the country club?

Mr. GORMAN. Louis himself has some interest. Whether it is major, I don't know.

Mr. KENNEDY. The bond says:

In the event of the insolvency of the corporation, the holder hereof shall be entitled to share pro rata with general creditors of the corporation and with holders of bonds of other issues, if any, of the corporation on the basis of aggregate unpaid balance of principal plus accumulated interest hereon, provided, however, that any and all obligations and/or indebtedness of the corporation to any person, bank, trust company, insurance company, finance company, and/or financial institution then accruing, whether due or not, shall first have been paid and satisfied in full before any payment or distribution to the holder hereof.

So you are pretty far down the line as far as collecting money if the country club didn't work out.

Mr. GORMAN. That is the risk that anyone takes on a speculative investment.

Mr. KENNEDY. It is peculiar that you have a speculative investment in a country club with Max and Louis Block. That is the only question I raised.

Then he wrote you a letter, dated June 27, 1956.

DEAR SIR AND BROTHER: In addition to the security offered by the Deercree Country Club, Inc., the purchase of \$25,000 of this corporation's bonds, I want to personally assure you that I stand behind these bonds in the same manner as does the Deercree Country Club, Inc.

That doesn't give you very much either.

Mr. GORMAN. Let me state again, Mr. Kennedy, that there is no investment that I make without first taking it to Mr. Sullivan. When he saw that, with Max's personal appearance that he would stand behind him, "go ahead and take it."

Mr. KENNEDY. It seems so unusual for union funds to be used to finance the building of a golf course at an exclusive country club.

Mr. GORMAN. Well, it will always be controversial, I guess, how union funds should be used. If they invest them in certain business enterprises, then they are criticized for that.

If they invest them in speculative securities that might not be as sound as they should be, then we are criticized for that.

Mr. KENNEDY. Here you are investing in a golf course of a country club which is partly owned by a vice president of the union. Certainly I think a question can be raised also about that.

Mr. GORMAN. I think you will find that Mr. Max Block will say to you that he has no investment in that.

Mr. KENNEDY. Well, Mr. Louis Block, his brother——

Mr. GORMAN. He is no officer of the international union.

Mr. KENNEDY. He has something to do with your pension fund, doesn't he?

Mr. GORMAN. He serves the pension fund only. He is no officer now even of a local union.

Mr. KENNEDY. Well, he is also Mr. Louis Block's brother, who is an officer.

Well, would you read that to us?

Mr. GORMAN. This is of the board meeting of October 20, 1956.

This is right from the official records of the meeting.

Secretary Gorman told the board that the accountants for the international union made the suggestion that the board should concur in at least periodically all bills. Secretary Gorman said that in the past all action of the international executive board was recorded through motions. The accountants for the international union said that it would be much better if major matters passed upon by the executive board would not only be approved by a vote of the board, but be set forth in the form of a resolution, concurred in by all of the board. For instance, continued Secretary Gorman, we are advised that in the matter of financial expenditures, while the entire board is furnished with the annual reports of Mr. Thomas Havian & Co., CPA, it is thought, nevertheless, by our accountants that the board approve expenditures by resolution even in addition to the above.

Attorney Leo Segal therefore suggests that on finances affecting everyone in connection with the international union, and their expenditures approved by the board, should be in the form of a resolution; by promotion which was seconded and carried, the board approved of a recommendation of the accountants and attorneys for the international union and adopted the following resolution:

Be it resolved, That the acts and doings of the president and secretary-treasurer of this international union, and the acts and doings of the agents, attorneys, servants, and employees, acting for and on behalf of the president and secretary-treasurer, and all expenditures made by them, or for them, as such to date here have been approved and ratified by this executive board.

Mr. KENNEDY. What date is that?

Mr. GORMAN. October 26, 1956. But that same motion has been carried at every other board meeting since that time.

Mr. KENNEDY. Tell us where you approved the \$25,000 loan to the country club?

Mr. GORMAN. All of the expenses and expenditures in this is approved by the international executive board. They must have had that listed in the full report. Every bond, every piece of investment that we have—

Mr. KENNEDY. Did you take it up with the board prior to the time that you made the loan?

Mr. GORMAN. No. We were never required to do that.

Mr. KENNEDY. Then you did make the loan without their approval, did you not?

Mr. GORMAN. Do you mean in the first—in the first place, yes, it was approved by the board and then made. That is right.

Mr. KENNEDY. Under your constitution, isn't it required that the executive board give approval to these transactions?

Mr. GORMAN. That is right. But you will keep in mind, Mr. Kennedy, that prior to this 1956 matter, there was nothing involved in expenditures except United States Government bonds, so far as investments are concerned, and in a matter of that kind, it was not necessary—

Mr. KENNEDY. Government bonds?

Mr. GORMAN. Government bonds—it was not necessary to take your funds and put them in Government bonds. Then we deemed when we got a little speculative, they must be approved.

Mr. KENNEDY. I would put Government bonds in a little different category than Louis Block's country club.

Mr. GORMAN. So do I.

Mr. KENNEDY. Under your constitution, you must have the approval of the executive board, which you never did.

Mr. GORMAN. It does not say prior to or subsequent to purchase. It is with the approval.

Mr. KENNEDY. Did the executive board know that you were making this loan?

Mr. GORMAN. No, not at the time; they all know it now.

Mr. KENNEDY. They might know it now, but it is a little late after you have made it. You can't go back on it.

Mr. GORMAN. In that loan, Mr. Kennedy, let me say that in the interest of our organization, if anything would happen to that loan I would mortgage my home that our international union would not lose one single dime.

Mr. KENNEDY. According to the constitution it was supposed to be taken up. The matter was not taken up, and, as you say, it was a speculative loan, and it was to a country club in which the brother of the vice president has a major interest. I would like to ask you about one other thing before we close, and that is whether you had a financial transaction with any of the officials of Food Fair?

Mr. GORMAN. Food Fair?

Mr. KENNEDY. Yes.

Mr. GORMAN. No.

Mr. KENNEDY. Did you have a discussion with Mr. Lou Stein regarding the purchase of some bonds or stock?

Mr. GORMAN. Never. Oh, do you mean in Food Fair?

Mr. KENNEDY. Yes.

Mr. GORMAN. No.

Mr. KENNEDY. Did you have any discussion with Mr. Stein, regarding the purchase of any stocks or bonds? Not necessarily Food Fair bonds or stocks.

Mr. GORMAN. You mean any stocks or bonds?

Mr. KENNEDY. Yes.

Mr. GORMAN. Well, that was quite accidental. That might have been in 1956 when I asked him—I met him in the Statler Hotel in New York. We had one highball together, and I asked him did he know of any good stock that I might invest in, in view of the fact that I had just collected \$4,800 which was withheld from my salary by the international union, and he said "Yes. I would suggest that you buy some stock in Redding Tube." So he made the arrangements and I purchased Redding Tube stock in the amount of \$5,000.

Mr. KENNEDY. You received 200 shares?

Mr. GORMAN. That is right.

Mr. KENNEDY. Redding Tube stock at \$25 a share?

Mr. GORMAN. That is right.

Mr. KENNEDY. This was arranged by Lou Stein, president of Food Fair?

Mr. GORMAN. That is right.

Mr. KENNEDY. Did you know he was a director in the Redding Tube Corp. at the time?

Mr. GORMAN. No.

Mr. KENNEDY. You did not know that?

Mr. GORMAN. A director?

Mr. KENNEDY. Yes.

Mr. GORMAN. He may have, Mr. Kennedy, told me that he was interested in that. He said it was a small company and coming up fast.

Mr. KENNEDY. Then that was on December 13, approximately, 1955.

Mr. GORMAN. That is right.

Mr. KENNEDY. Then did you contact Mr. Stein at a later date?

Mr. GORMAN. Yes; I did.

Mr. KENNEDY. Did you write him a letter on September 6, 1956?

Mr. GORMAN. Yes; I did, because I felt I wasn't treated fairly in the matter, that I paid more for the stock than I paid, that I could have bought it anywhere for less than \$5,000. It was selling then in the open market for \$20 a share, and I was charged \$25 a share.

Mr. KENNEDY. The regular price at that time, and we have made a study of it, Mr. Kopecky can testify on it, the market price at that time was \$25 a share, which you paid.

Mr. GORMAN. I was told otherwise, Mr. Kennedy. In my letter, I mentioned I would like to find some way to dispose of the stock, and if he could find somebody to give me what I paid for it—

Mr. KENNEDY. At the time you purchased the stock, you paid the market price, \$25 a share.

Mr. GORMAN. Was that it?

Mr. KENNEDY. Yes.

Mr. GORMAN. I was told differently.

The CHAIRMAN. I present to you a photostatic copy of a letter or a carbon copy dated September 6, 1956, addressed to Mr. Louis Stein, Food Fair Stores, Inc. I ask you to examine it and see whether you identify it.

(The document was handed to the witness.)

Mr. KENNEDY. Could I read this into the record?

The CHAIRMAN. All right. The letter has been identified.

Mr. KENNEDY. It is to Louis Stein, signed by the secretary-treasurer.

Around the first of the year you purchased for me some 200 shares of Redding Tube Corp. stock. I received 3 dividends on the stock. Par value I notice was \$20, but for the 200 shares I paid \$5,000. I believe, Lou, you mentioned to me that the stock may be divided. If it is, someone also told me that preferred stock, such as mine, is never divided. Do you know of anyone, Lou, that would be willing to purchase my Redding Tube stock for what I paid for it? I am willing to let it go if I don't take a loss. Wishing again a very Happy New Year to you and yours,

I am,

Yours very sincerely.

Did they purchase the stock from you?

Mr. GORMAN. No.

Mr. KENNEDY. Did Mr. Julius Schwartz purchase it?

Mr. GORMAN. Mr. Julius Schwartz; yes.

The CHAIRMAN. Here is a copy of a letter from Mr. Schwartz to you. Would you identify that, please?

(The document was handed to the witness.)

Mr. KENNEDY. All right.

The CHAIRMAN. That letter may be read.

Mr. KENNEDY. "Dear Pat."

This is September 26, 1956.

Lou Stein has mentioned to me that you have 200 shares of Redding Tube convertible preferred stock available. I personally am interested in the stock and would be willing to buy the 200 shares at a total price of \$5,000. Incidentally, Pat, it was certainly thoughtful of you to wire New Year's greetings.

Very kindest regards,

I am,

JULIUS SCHWARTZ.

Thereafter, you did sell the 200 shares for \$5,000?

Mr. GORMAN. Yes, sir.

Mr. KENNEDY. Mr. Chairman, could we swear Mr. Kopecky to give the par value of the stock at the time it was sold?

Senator ERVIN. Yes. Do you solemnly swear the testimony you shall give before the Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KOPECKY. I do, sir.

TESTIMONY OF GEORGE KOPECKY

Mr. KENNEDY. Mr. Kopecky, have you made a study to find out how much the stock was worth at the time it was purchased by Mr. Stein?

Mr. KOPECKY. At the time it was purchased, the stock was worth \$5,000.

Mr. KENNEDY. That was the market value?

Mr. KOPECKY. That is correct.

Mr. KENNEDY. And the par value was \$20?

Mr. KOPECKY. \$20.

Mr. KENNEDY. But what it was selling for on the market was \$25 a share?

Mr. KOPECKY. Yes.

Mr. KENNEDY. So 200 shares would cost \$5,000?

Mr. KOPECKY. That is right.

Mr. KENNEDY. When he sold the stock to Mr. Schwartz for \$5,000, what was the market value of the stock?

Mr. KOPECKY. The market value at the time of the sale was approximately \$4,400.

Mr. KENNEDY. So what was the result?

Mr. KOPECKY. The net result was that the investment was worth \$4,400 when it was sold by Mr. Gorman to Mr. Schwartz of Food Fair for \$5,000.

Mr. KENNEDY. So Mr. Schwartz in this transaction took a \$600 loss?

Mr. KOPECKY. That is correct. Mr. Schwartz paid \$600 more for the securities than he would have been required to pay in the open market.

TESTIMONY OF PATRICK GORMAN—Resumed

(At this point, members of the committee present: Senators McClellan and Ervin.)

Mr. KENNEDY. Do you have any comment on that?

Mr. GORMAN. No. Except I might make the comment, I hear Mr. Kopecky talk about market value and par value, it should be known that I don't know anything whatever about buying stock or how it is operating, how the market is manipulated.

I don't buy stock. I have just one issue of worthless stock on my hands now. I don't know anything about the stock market, whether par value and market value mean anything in this discussion. Because I don't know the stock market and never deal in the stock market.

Mr. KENNEDY. So you will know now what happened was that Mr. Schwartz of the Food Fair Co. purchased stock from you worth \$1,400 and paid you \$5,000 for it.

Mr. GORMAN. As a matter of fact, I thought I was being taken for a thousand dollars.

Mr. KENNEDY. You did very well, Mr. Gorman. Unions in New York, Bronx unions, gave you a testimonial dinner in New York.

Mr. GORMAN. That is right.

Mr. KENNEDY. That was when?

Mr. GORMAN. 1955 or 1956.

Mr. KENNEDY. What was the money to be used for raised in the testimonial dinner?

Mr. GORMAN. I don't know what it was for. I am not sure whether we were raising money for Israel bonds. All I know is that I was guest of honor that night.

Mr. KENNEDY. Do you know if they received any money from the money that was raised?

Mr. GORMAN. You mean the Block boys?

Mr. KENNEDY. Yes.

Mr. GORMAN. Whether they received it? I don't know. I did know they had a souvenir journal and that brought in considerable money.

Mr. KENNEDY. Do you know how much money was raised?

Mr. GORMAN. I don't know.

Mr. KENNEDY. Did they send you any money or bonds?

Mr. GORMAN. Yes, the local union sent me a package with \$15,000 worth of bonds face value that would have matured 10 years later at \$20,000. But I returned those bonds.

Mr. KENNEDY. You didn't think it was right to take them?

Mr. GORMAN. I didn't.

Mr. KENNEDY. What has happened to the bonds?

Mr. GORMAN. I sent them back and haven't heard a thing about it. I don't know what has become of them and where they are at—

Mr. KENNEDY. Who did you send them back to?

Mr. GORMAN. I sent them back to the local union.

Mr. KENNEDY. Mr. Block?

Mr. GORMAN. I am not sure whether I addressed it to Mr. Block as president or Mr. William Castle, who is secretary of the local union. It went back to the local union, possibly to Mr. Block. I think it was Mr. Block.

Mr. KENNEDY. Do you know what was done with the money that was raised, the \$15,000 of bonds?

Mr. GORMAN. I don't know.

Mr. KENNEDY. Did you ever check to find out?

Mr. GORMAN. No. When I returned the bonds that was the end of it as far as I was concerned.

Mr. KENNEDY. I believe there was some \$55,000 collected in the dinner but you didn't take any yourself?

Mr. GORMAN. No.

Mr. KENNEDY. You didn't think it was right to take the money; is that correct?

Mr. GORMAN. I didn't take it.

Mr. KENNEDY. Max Raddock is arranging a book on your life?

Mr. GORMAN. That is right.

Mr. KENNEDY. How much money does your union pay to Raddock?

Mr. GORMAN. Nothing.

Mr. KENNEDY. Does he do any work for you?

Mr. GORMAN. He prints our constitutions.

Mr. KENNEDY. How much money do you pay him for printing your constitutions?

Mr. GORMAN. I don't know the exact amount. It is a competitive bid. We check with other companies.

Mr. KENNEDY. How much approximately?

Mr. GORMAN. I say it would not be accurate; I would say we paid him maybe \$12,000, or maybe a little more than that, for 40,000 or 50,000 constitutions.

Mr. KENNEDY. \$12,000?

Mr. GORMAN. I couldn't be accurate.

Mr. KENNEDY. How often do you pay him the \$12,000?

Mr. GORMAN. Those will last us for, gosh sakes, a long time.

Mr. KENNEDY. Do you get his newspaper?

Mr. GORMAN. We do.

Mr. KENNEDY. Does the international pay for that?

Mr. GORMAN. We have 500 subscriptions to it going to our local unions.

Mr. KENNEDY. How much do you pay him each year?

Mr. GORMAN. Ten cents a week for each paper.

Mr. KENNEDY. How much a year?

Mr. GORMAN. That would amount to about \$2,400 or \$2,500 a year.

Mr. KENNEDY. He is in the midst of publishing a book called The Gorman Story?

Mr. GORMAN. There is no name for it. There is no title to it.

Mr. KENNEDY. Have you receivey any money from him yet on that book?

Mr. GORMAN. He made an advance payment of \$6,000.

Mr. KENNEDY. How much of the \$6,000 did you receive?

Mr. GORMAN. \$1,500 of that was to go to Hilton Hanna.

Mr. KENNEDY. Hilton Hanna wrote the book?

Mr. GORMAN. Hilton Hanna is completing the book. It was begun by Vice President Belsky in New York.

Mr. KENNEDY. Who is Hilton Hanna? Is that an employee of the international?

Mr. GORMAN. He is the executive assistant to the officers of the international union.

Mr. KENNEDY. How much did Hilton Hanna receive for the book?

Mr. GORMAN. \$1,500.

Mr. KENNEDY. Did anybody else receive anything out of the \$6,000?

Mr. GORMAN. There is \$1,500 due on the advancement to Mr. Belsky, but he has not taken it.

Mr. KENNEDY. The rest went to you?

Mr. GORMAN. Not yet.

Mr. KENNEDY. Have any of the books been printed?

Mr. GORMAN. Not yet. I hope they will.

Mr. KENNEDY. He sent you a sort of advancement?

Mr. GORMAN. That is right.

Mr. KENNEDY. How long ago did you send the book in to him?

Mr. GORMAN. The book is not all to him as I recall now. There are a couple of chapters to be revised.

Mr. KENNEDY. You got your \$6,000 back in August 1956, as I understand?

Mr. GORMAN. \$6,000 what?

Mr. KENNEDY. In August of 1956.

Mr. GORMAN. You mean on this?

Mr. KENNEDY. Yes.

Mr. GORMAN. Whatever date it may be.

Mr. KENNEDY. And still no books?

Mr. GORMAN. No book. But I know. I have read all the chapters. There is no question about it. When you read this book, it is first back. He puts his heart in it. Whether anyone else would put their heart or eyes in it. He is doing a lot. I don't want to discourage him. He wants to rewrite and change this. I don't want to discourage him.

Mr. KENNEDY. Who is it that you don't want to discourage?

Mr. GORMAN. The boy who is writing the book. He is a Negro boy, and I don't want to discourage him.

Mr. KENNEDY. I don't want you to discourage him. What is his name?

Mr. GORMAN. Hilton Hanna.

Mr. KENNEDY. Mr. Chairman, the reason we had to go so late is that Mr. Gorman is on his way to Europe and he is leaving on Monday. He is going over on a labor meeting.

Mr. GORMAN. To a meeting in Brussels. I am very grateful to you for getting me off so I could get going anyway.

The CHAIRMAN. Is there anything further?

All right, thank you very much.

The committee will stand in recess until Tuesday morning at 10 o'clock.

(Whereupon, at 5:35 p. m., Friday, May 16, 1958, the committee recessed, to reconvene at 10 a. m., Tuesday, May 20, 1958.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

TUESDAY, MAY 20, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in room 357, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Carl T. Curtis, Republican, Nebraska; Senator Frank Church, Democrat, Idaho.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

(Members of the committee present at the convening of the session were: Senators McClellan and Church.)

The CHAIRMAN. The committee will come to order.

Call the next witness.

Mr. KENNEDY. Desmond Ferguson.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. FERGUSON. I do.

TESTIMONY OF DESMOND FERGUSON

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. FERGUSON. My name is Desmond Ferguson. I live at 838 43d Street, Brooklyn, N. Y. I work for the Great Atlantic & Pacific Tea Co.

The CHAIRMAN. Do you waive counsel?

Mr. FERGUSON. Yes.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you worked for the A. & P.?

Mr. FERGUSON. I started in September 1949.

Mr. KENNEDY. You are a clerk there?

Mr. FERGUSON. Right.

Mr. KENNEDY. You are in the Brooklyn unit?

Mr. FERGUSON. Right.

Mr. KENNEDY. Up to 1952, Mr. Ferguson, what had been the policy of the A. & P. Co. toward a union coming into their stores and representing their employees?

Mr. FERGUSON. They were strictly against it.

Mr. KENNEDY. Did they take any active role as far as being against the union?

Mr. FERGUSON. Well the supervisors and the manager told us that "they are nothing but a bunch of crooks; they ride around in fancy cars, and why do you want to belong to them? You ask the butchers and they will tell you the same thing."

Mr. KENNEDY. Were you asked to sign one of these cards for the Butchers' Union?

Mr. FERGUSON. Yes.

Mr. KENNEDY. Had you signed a card?

Mr. FERGUSON. Yes.

Mr. KENNEDY. What had you thought when you signed the card?

Mr. FERGUSON. I didn't know what to think.

Mr. KENNEDY. Was this prior to the time the contract was announced or before the contract?

Mr. FERGUSON. It was before the contract was announced.

Mr. KENNEDY. Why did you sign the card?

Mr. FERGUSON. Well, we were brought in the back room and there was a delegate and the manager and we were told to sign it and if we didn't sign it, it would cost us \$50.

Mr. KENNEDY. Do you mean the manager of the store brought you in the back room?

Mr. FERGUSON. Yes, sir.

Mr. KENNEDY. And told you if you didn't sign the card it would cost you \$50?

Mr. FERGUSON. Yes.

Mr. KENNEDY. That was prior to the time of the contract?

Mr. FERGUSON. Yes. And they told us there would definitely be an election and we could choose any union we wanted.

Mr. KENNEDY. And a few days later the contract was announced?

Mr. FERGUSON. About a week a week later we were told we had a contract.

Mr. KENNEDY. Were you surprised?

Mr. FERGUSON. We were stunned.

Mr. KENNEDY. Had any of the employees known this was going on?

Mr. FERGUSON. No. Everybody was under the impression that we would have an election.

Mr. KENNEDY. Was there a great deal of bad feeling on the part of the employees in the A. & P. store?

Mr. FERGUSON. Well, we felt that way. The previous year we voted no union and all of a sudden we are in a union and we don't know what to think.

Mr. KENNEDY. What about the payment of dues? Did the company urge you to pay your dues?

Mr. FERGUSON. Yes.

Mr. KENNEDY. Was there much resentment on the part of the employees?

Mr. FERGUSON. There was.

Mr. KENNEDY. How did that take place? What occurred? Can you tell us anything about that?

Mr. FERGUSON. We were told that we should pay our dues, we belong to the union. There were a lot of people that didn't pay dues.

Mr. KENNEDY. They refused?

Mr. FERGUSON. That is right.

Mr. KENNEDY. At that time, or shortly after, there were arrangements made for another election in the Brooklyn unit; is that right?

Mr. FERGUSON. That is right. Once that decision was made, nobody paid dues.

Mr. KENNEDY. They would not?

Mr. FERGUSON. That is right.

Mr. KENNEDY. Then local 1500 successfully won the election, is that right?

Mr. FERGUSON. That is right.

Mr. KENNEDY. And the company refused to bargain with them?

Mr. FERGUSON. That is right.

Mr. KENNEDY. Was that resented by the employees?

Mr. FERGUSON. Yes. Everybody was up in arms.

Mr. KENNEDY. What was your role during this period of time?

Mr. FERGUSON. I was a shop steward.

Mr. KENNEDY. For the union?

Mr. FERGUSON. Yes.

Mr. KENNEDY. How did you get to that position?

Mr. FERGUSON. Well, the shop steward in the store at that time, he quit—he quit the company—so the people—there were rumors about the strike—so the people said that we better have a shop steward. One fellow went around the store and asked if anyone wanted to become shop steward and was it all right if Desmond became shop steward and everybody said, "Yes," so I took over as shop steward.

Mr. KENNEDY. Did you continue as shop steward for a number of months?

Mr. FERGUSON. That is right.

Mr. KENNEDY. Were you released then; that is, afterwards?

Mr. FERGUSON. No.

Mr. KENNEDY. Did you lose your job as shop steward?

Mr. FERGUSON. That was later on. Last year.

Mr. KENNEDY. When was that?

Mr. FERGUSON. 1957.

Mr. KENNEDY. Was that during the Fischetti incident?

Mr. FERGUSON. That is right.

Mr. KENNEDY. Will you tell us what happened then?

Mr. FERGUSON. Well, there was this fellow by the name of Fischetti that came to work with us. So I approached him and told him he would have to join the union after 30 days, so the guy says, "All right." He read the card and he questioned me on the checkoff system. He said he didn't like it, that he wanted to pay his dues to the shop steward or else to the business agent; that he didn't like checkoffs.

I told him, I says, "Look, if you take my advice you will sign the cards and a month after you can sign a registered letter, send one to the company and one to the union and they will take you off the checkoff system." That is what the delegate told me. The delegate came into the store about 3 weeks after that and he asked me if I had

any new members. I told him I had two. I told him I had no cards. So he gives me some cards. I only had one, and you have to sign two cards. One card goes to the company and one card goes to the union.

So after the delegate give me the cards, I went to lunch. I left the store. So when I come back, I approached Fischetti. So he signed the card and he paid me \$10 and told me he would pay me the rest the following Saturday night.

The CHAIRMAN. Was that dues or initiation fees?

Mr. FERGUSON. Initiation fees.

The CHAIRMAN. How much were they?

Mr. FERGUSON. \$75.

The CHAIRMAN. What was the weekly wage there?

Mr. FERGUSON. I don't know what he made. He was only after starting.

The CHAIRMAN. They were charging him the regular price, \$75, or for anyone to join?

Mr. FERGUSON. That is right.

The CHAIRMAN. What is the average weekly wage there?

Mr. FERGUSON. \$86.

The CHAIRMAN. \$86?

Mr. FERGUSON. Yes, but he wasn't making nothing.

The CHAIRMAN. He wasn't making that much?

Mr. FERGUSON. No. He was making around, I would say, about \$67.

The CHAIRMAN. They charged him more than a week's wages to join?

Mr. FERGUSON. Right. So he paid me \$10 and he told me the following Saturday night he would pay me the rest. About an hour after that he told me that he had a fight with the delegate, and the delegate threatened to have him fired. The delegate went on the phone and made a couple of calls.

I didn't know what to do. I said, "Do you want to take back the card?" and he said, "No, I signed the card and I give you \$10."

Right away I called the union and I left my number for them to call me back. I never heard from them.

The following Saturday night, the supervisor came in and he told me that he had to let go of Fischetti for refusing to join the union. I told him, "Look, you better check the story. This man has never refused to join the union. He did question the checkoff system."

So he says, "Look, I got my orders to let him go, and there is nothing I can do about it." I didn't hear any more. The following Monday, this guy Fischetti went down and filed unfair labor charges.

One of the investigators, I think he came out on a Tuesday, but I wasn't in the store, but he came back the following Wednesday and took a statement from me. The following Saturday night I was transferred out of the store, and there was supposed to be an agreement with the union and the company that a shop steward couldn't be transferred.

Mr. KENNEDY. What do you mean he took a statement from you? He got your account of what happened?

Mr. FERGUSON. He asked me if Fischetti refused to join the union.

Mr. KENNEDY. This was an investigator for the NLRB?

Mr. FERGUSON. That is right.

Mr. KENNEDY. And your story supported Fischetti?

Mr. FERGUSON. That is right.

Mr. KENNEDY. And within a short period after that the A. & P. transferred you?

Mr. FERGUSON. The following Saturday night, I think it was.

Mr. KENNEDY. Where did they transfer you?

Mr. FERGUSON. To 93d Street on 3d Avenue.

Mr. KENNEDY. That was an inconvenient place for you?

Mr. FERGUSON. I didn't feel it was inconvenient, but I felt they put me out there because the delegate's brother was the meat head and his very best friend was the shop steward.

Mr. KENNEDY. Why did you feel they transferred you?

Mr. FERGUSON. Because it was somebody to keep an eye on me or something. That is what I felt.

Mr. KENNEDY. Because you testified and gave this information?

Mr. FERGUSON. Yes.

Mr. KENNEDY. Did you bring any action yourself after that?

Mr. FERGUSON. Well, the investigator, Mr. Hoffman, he came out to 83d Street, and I told him, I said, "Boy, you told me—by the time I testified I was scared stiff and you knew it, but you guaranteed there would be no reprisals," and I said, "I was transferred out here and taken away from shop steward." He said, "That is a union matter," and he couldn't help me.

They closed the store a couple of weeks after that and I was moved 5 or 6 blocks from my house, 5 or 6 blocks from where I live.

Mr. KENNEDY. The contract that was agreed to, was that ever ratified by the employees, the contract that was signed?

Mr. FERGUSON. Which contract was that?

Mr. KENNEDY. The contract that was initially signed by the Meat Cutters and the A. & P.?

Mr. FERGUSON. The first one?

Mr. KENNEDY. Yes.

Mr. FERGUSON. Never.

Mr. KENNEDY. Did you raise any question about that?

Mr. FERGUSON. We went to a shop steward meeting out in Queens and Mr. Block was there. One fellow by the name of Vinie Guarner asked him, "How could you sign a contract without asking us for our O. K.?" and Mr. Block laughed it off. He got no answer.

Mr. KENNEDY. Did anybody know of any secret agreement at that time to extend the terms of the contract?

Mr. FERGUSON. No.

Mr. KENNEDY. You did not?

Mr. FERGUSON. No.

Mr. KENNEDY. It was a 45-hour week?

Mr. FERGUSON. Yes.

Mr. KENNEDY. You did not know that?

Mr. FERGUSON. No.

Mr. KENNEDY. Did the A. & P. Co. take any steps to support Mr. Block in his bid for reelection in 1956?

Mr. FERGUSON. They certainly did.

Mr. KENNEDY. What did they do?

Mr. FERGUSON. Well, I was shop steward at that time, and the day of the nomination meeting I got a call. They didn't know I was running on the opposition slate. At 4 o'clock I got a call and I was told, "Leave the store with two other men, and it is all right with the manager. We want you up front at the meeting."

Mr. KENNEDY. Who called you and told you that?

Mr. FERGUSON. Toby Coletti.

Mr. KENNEDY. What is his position?

Mr. FERGUSON. Business agent with 342.

Mr. KENNEDY. He told you you could leave the store?

Mr. FERGUSON. At 4 o'clock.

Mr. KENNEDY. And would you continue to get your salary as if you worked a full day?

Mr. FERGUSON. Right.

Mr. KENNEDY. Did you go?

Mr. FERGUSON. No; I refused to go.

Mr. KENNEDY. What did you tell them?

Mr. FERGUSON. Every time we had a union meeting, as shop steward, I always made it my business, we have a lot of girls in the store and other people that don't have cars, so I always organized it so that everybody got a ride to the meeting and a ride back.

I told them if I left there would be 5 or 6 people that couldn't go to the meeting, and I hung up and that was it.

Mr. KENNEDY. So you went to the meeting?

Mr. FERGUSON. Right.

Mr. KENNEDY. But you refused to leave early?

Mr. FERGUSON. That is right.

(At this point, Senator Curtis entered the hearing room.)

Mr. KENNEDY. What took place at the meeting with Mr. Block?

Mr. FERGUSON. Well, somebody by the name of Leon Shackley, he is supposed to be from the international, he ran the meeting. There was a Judge Murphy on the stand as an impartial observer.

Mr. KENNEDY. Did you know Judge Murphy at that time was working for the union?

Mr. FERGUSON. No.

Mr. KENNEDY. They told you he was there as an impartial observer?

Mr. FERGUSON. They said he was an impartial observer.

Mr. KENNEDY. You didn't know he was on the payroll of the union at that time?

Mr. FERGUSON. I didn't know he had anything to do with the union.

Mr. KENNEDY. Go ahead.

Mr. FERGUSON. Well, there was a discussion on the term of the contract. They tried to put it 4 years, and accept it. So some fellow on down the hall put up a protest on that. He said, "We want a 1-year term."

So they put it to a vote. It was a hand vote, for 4 years and 1 year. The 1 year won it, there is no question about it, and they give it to the 4 years. So everybody started banging their feet and they held up the meeting for about 20 minutes.

Finally he said, "All right, we will take a standing vote," and the 1 year still won it and they still give it to the 4 years. Everybody kept banging their feet and held the meeting up for almost a half hour. This guy Mr. Shackley said, "All right, we will put it on the ballot," but it never was on the ballot.

Mr. KENNEDY. This was a question of extending the terms of the officers?

Mr. FERGUSON. Right.

Mr. KENNEDY. And there was a motion that the officers should be extended to 4 years rather than 1 year?

Mr. FERGUSON. Right.

Mr. KENNEDY. And when it was put to the membership that attended the meeting, it lost both times?

Mr. FERGUSON. It certainly did.

Mr. KENNEDY. And then you were told that it would be put on the ballot?

Mr. FERGUSON. On the ballot; right.

Mr. KENNEDY. It never was?

Mr. FERGUSON. Never was; no.

Mr. KENNEDY. Was the term of office in fact 4 years?

Mr. FERGUSON. Right.

Mr. KENNEDY. It was never approved?

Mr. FERGUSON. It was never put on the ballot.

Mr. KENNEDY. What about the pension that has been given to Mr. Block and certain of the other officers of the Meat Cutters? Was that ever taken up with the membership?

Mr. FERGUSON. I never heard of a pension.

Mr. KENNEDY. Did you attend the meetings?

Mr. FERGUSON. I never missed a meeting from the time the union came in, only one meeting in Lost Battalion Hall, and I was in from August 15 to October 6.

Mr. KENNEDY. And you say the pension that was given——

Mr. FERGUSON. Nobody else ever heard of it, either.

Mr. KENNEDY. Had you inquired of the other employees?

Mr. FERGUSON. I have.

Mr. KENNEDY. What developed? We will develop the situation of the pension at a later time.

The CHAIRMAN. Was that a pension for the officers of the local?

Mr. FERGUSON. I never heard anything about it nor any other member, either.

Mr. KENNEDY. It was a pension for Mr. Block and Mr. Casale, who were officers of the local.

The CHAIRMAN. Representatives of the A. & P. have submitted a question for the witness. I will ask the question.

Do you know any other food chain stores in New York City that pays its employees as well as the A. and P.?

Mr. FERGUSON. No.

The CHAIRMAN. All right, proceed.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. Ferguson, I have been interested in your testimony, and particularly those things that indicate that the workers themselves became pawns, either by management or by labor union leadership. I think that is wrong.

What I am about to say is not a question but an observation, but I wish it to go into the record. That is this: It is morally wrong to have a situation, to have contracts, that make it impossible for members to withdraw from the union and stop paying dues, when the union is fol-

lowing a course that they do not like. Sometimes they may be in collusion with management and sometimes not.

I believe that workers of the country are entitled to absolute freedom to run their own union, and if the union top leaders do not take workers into confidence, let them know what is in the contract, or otherwise push them around, they should have a remedy of withdrawing and stop paying their dues without losing their jobs.

I think to do otherwise is most unfair. This very thing of these union bosses voting themselves pensions without knowledge of active members, such as you is an indication that they are disregarding the wishes of the people and they are doing it because of the power they have over individuals to destroy their jobs and hold a captive membership.

That is all, Mr. Chairman.

The CHAIRMAN. What is the amount of the pension he is supposed to get, do you know?

Mr. FERGUSON. I don't know; no.

The CHAIRMAN. Are you still a member of the union?

Mr. FERGUSON. I am still a member of 342.

The CHAIRMAN. In good standing, I guess. Do you pay your dues?

Mr. FERGUSON. Yes.

The CHAIRMAN. Are you still employed?

Mr. FERGUSON. Yes.

The CHAIRMAN. Yet you don't know what the pension is that has been voted your officers?

Mr. FERGUSON. No.

The CHAIRMAN. Is there any way you can find out?

Mr. FERGUSON. I don't know of any way.

The CHAIRMAN. Could you ask about it?

Mr. FERGUSON. We were never told about it.

The CHAIRMAN. You were never told about it. All right.

Are there any other questions?

Mr. KENNEDY. Mr. Chairman, I might just say Mr. Ferguson had some difficulty, as he stated in testifying before the committee, when he opposed the company back in 1954, I believe, in the Fischetti incident. He was transferred out of his job.

I think it should be said that he is here under subpena and has cooperated with the committee. We wouldn't want to see this happen again.

The CHAIRMAN. As I understand it, because you protested some activity or action on the part of the company with respect to the union, or, rather, with respect to this man Fischetti—

Mr. FERGUSON. I didn't protest it. I just told the truth.

The CHAIRMAN. You just gave the facts to the N. L. R. B. representative, gave him a statement of what you knew?

Mr. FERGUSON. I was told at that time by the supervisor, he says, "Don't fight them because you are going to lose."

The CHAIRMAN. Do you think they retaliated against you by transferring you away from the store?

Mr. FERGUSON. Well, there was an agreement that a shop steward can't be transferred. I was never transferred before because I was usually always a shop steward.

The CHAIRMAN. Well, then, they made an example out of you.

Mr. FERGUSON. The people in the store felt, "Well, he stood up for what he thought was right and now he gets transferred. He is not our shop steward any more."

The CHAIRMAN. Well, that is pretty reprehensible. If they undertake anything about you this time because you testified and cooperated with the committee, let me know, will you?

Mr. FERGUSON. I certainly will.

Mr. KENNEDY. I have one other point. In furtherance of the statement of Senator Curtis, according to the records there was a card count taken in 1956 for the part-time employees. Were you aware of that?

Mr. FERGUSON. I never heard it until now.

Mr. KENNEDY. And you were a shop steward at the time?

Mr. FERGUSON. Right.

Mr. KENNEDY. Ordinarily if a card count is being conducted, you would know about it, would you not?

Mr. FERGUSON. What was the card count for?

Mr. KENNEDY. Part-time employees. Did you know anything about it?

Mr. FERGUSON. They were in the union before that.

Mr. KENNEDY. 1956?

Mr. FERGUSON. Part-timers were in the union before that. There was a difference in hours. If they worked less than 19 hours, they didn't have to belong to the union.

Mr. KENNEDY. This was for the employees that worked for 10 to 20 hours. Did you know anything about the card count?

Mr. FERGUSON. No. We were told that there was a change in the contract and everybody had to belong to the union.

Mr. KENNEDY. The records show there was a card count at that time.

Mr. FERGUSON. I never heard of it.

Mr. KENNEDY. You never heard about that?

Mr. FERGUSON. No.

Mr. KENNEDY. They just told you that there was a change in the contract?

Mr. FERGUSON. Yes, to sign up everybody that worked in the store. (At this point, Senator Ervin entered the hearing room.)

The CHAIRMAN. The A. & P. suggests this question be asked: What did A. & P. attorneys tell you about appearing here and your job at the A. & P.?

Mr. FERGUSON. They guaranteed me. Mr. McKee was very nice. He guaranteed there would be no reprisals.

The CHAIRMAN. So you have been guaranteed this time by the company?

Mr. FERGUSON. Right.

The CHAIRMAN. Do you have the same guaranty from your union?

Mr. FERGUSON. No.

The CHAIRMAN. You have a guaranty from the company?

Mr. FERGUSON. Right.

The CHAIRMAN. But you don't have one from the union yet?

Mr. FERGUSON. No.

The CHAIRMAN. Let's watch and see what the union does. I am confident the company will keep its promise. Are there any other questions? If not, thank you.

Call the next witness.

Mr. KENNEDY. Mr. O'Brien.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. O'BRIEN. I do.

TESTIMONY OF THOMAS O'BRIEN, ACCOMPANIED BY JEROME DOYLE, COUNSEL

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. O'BRIEN. My name is Thomas J. O'Brien. I live at 21 Plymouth Road, Summit, N. J. I am employed by the A. & P. Tea Co. as a supervisor out of the Newark unit.

The CHAIRMAN. Supervisor where?

Mr. O'BRIEN. Supervisor out of the Newark unit.

The CHAIRMAN. You have counsel, Mr. Doyle, representing you?

Mr. O'BRIEN. Yes, sir.

The CHAIRMAN. Mr. Doyle has appeared for others. His name will appear in the record here as representing the witness.

All right.

Mr. KENNEDY. Mr. O'Brien, you have been with the A. & P. Co. for how long?

Mr. O'BRIEN. Twenty-eight years.

Mr. KENNEDY. How long have you been a supervisor in New Jersey?

Mr. O'BRIEN. A little better than 10 years.

Mr. KENNEDY. Prior to 1952, the end of 1952, had it been the policy of the A. & P. Co. to oppose any unionization of their employees?

Mr. O'BRIEN. Yes.

Mr. KENNEDY. Had they actively, within the law, opposed as much as possible, the unionization of the employees? That is, any union coming in and trying to act as bargaining representative?

Mr. O'BRIEN. Well, it would be considerably before 1952.

Mr. KENNEDY. All the years prior to 1952; is that right?

Mr. O'BRIEN. That is right.

Mr. KENNEDY. You were over in New Jersey, but shortly after the contract was signed in New York on October 11, with the Meat Cutters, did you receive any instructions that the policy of the company was to be changed?

Mr. O'BRIEN. No.

Mr. KENNEDY. Did you receive any instructions that you were to continue to oppose unionization of the employees?

Mr. O'BRIEN. We had no definite instructions.

Mr. KENNEDY. Let's start over again. Before 1952, in the first part of 1952, you had always opposed unionization of the employees; is that right?

Mr. O'BRIEN. The first part of 1952; yes, sir.

Mr. KENNEDY. The company, in the last part of 1952, after October 11, 1952, no longer opposed unionization of the employees?

Mr. O'BRIEN. Yes, that is true.

Mr. KENNEDY. That was not your own decision. That was the company's decision; was it not?

Mr. O'BRIEN. That is true.

Mr. KENNEDY. You had a meeting in which you received those instructions, that you were no longer to oppose the unionization of the employees; did you not?

Mr. O'BRIEN. Well, at this meeting we were told that union representatives were to be permitted to go into the stores and have a card count, and managers and supervision were to have no part of it.

Mr. KENNEDY. You were no longer to oppose the unionization of your employees, at least by the Amalgamated Meat Cutters?

Mr. O'BRIEN. Yes.

Mr. KENNEDY. The Meat Cutters were to be allowed into the stores to sign up the employees?

Mr. O'BRIEN. Right.

Mr. KENNEDY. This was a different policy than existed in the A. & P. Co. prior to that time?

Mr. O'BRIEN. Yes.

Mr. KENNEDY. The Meat Cutters were the only union that was to be allowed to come in and sign up the employees?

Mr. O'BRIEN. That was the only union activity going on in Newark.

Mr. KENNEDY. Did the officials of the A. & P. call in the various supervisors from the New Jersey stores and inform them of this?

Mr. O'BRIEN. As I remember it, it was at a regular sales meeting, and at the tail end of this meeting this information was given to us.

Mr. KENNEDY. Let me understand this. The representatives of the Meat Cutters were to come into the store. Were you instructed to help and assist them in any way by setting aside some space for them to operate in?

Mr. O'BRIEN. We were instructed not to help and assist, but they were to be permitted to talk to the employees individually in a certain spot in the store, away from our customers.

Mr. KENNEDY. Were you to set aside a room for them to speak to your employees?

Mr. O'BRIEN. No room, just a spot.

Mr. KENNEDY. Did you set aside some space for them?

Mr. O'BRIEN. There was some space set aside.

Mr. KENNEDY. Did you make arrangements to send each of the employees back to see them?

Mr. O'BRIEN. Yes, sir.

Mr. KENNEDY. Were those part of your instructions?

Mr. O'BRIEN. Yes.

Mr. KENNEDY. The employees would then be sent one at a time back to see the representative of the union, is that right?

Mr. O'BRIEN. Yes, sir.

Mr. KENNEDY. And the representative of the union at that time would discuss with them about signing this card?

Mr. O'BRIEN. That is right.

Mr. KENNEDY. For the Meat Cutters, that is. This was a complete reversal of the A. & P. former policy, was it not, toward unions?

Mr. O'BRIEN. Yes, although prior to this these cards were a general thing for the last 2 or 3 years.

Senator CHURCH. The company had never reserved any space for representatives of any other union, or instructed you to let your employees go back at regular intervals to discuss these matters with any other representatives of any other union at a previous time?

Mr. O'BRIEN. That is true, sir.

Mr. KENNEDY. Was there ever an election held in your unit?

Mr. O'BRIEN. It seems to me there had been an election, but I believe at that time it was just for butchers.

Mr. KENNEDY. Was there ever an election whereby the employees selected the Butchers to represent them?

Mr. O'BRIEN. I don't know that.

Mr. KENNEDY. You know of no election that was held?

Mr. O'BRIEN. I know there were several elections going back over the years.

Mr. KENNEDY. But you know of no election during this period of time where the employees selected the Butchers to represent them?

Mr. O'BRIEN. No; I can't say I do.

Mr. KENNEDY. After the contract was signed with the Butchers on December 1 for the New Jersey group, December 1, 1952, did you then urge and tell the employees of the store that they would have to join the union or otherwise they would possibly have to pay a \$50 initiation fee?

Mr. O'BRIEN. No; Mr. Kennedy, I didn't urge anyone, but there had been, after the contracts were signed, there were some few that came to me and asked me is it so, that if they did not would they, and I told them to the best of my knowledge they would.

Mr. KENNEDY. They would have to pay the \$50 initiation fee?

Mr. O'BRIEN. If they did not join, now that the contract was signed.

Mr. KENNEDY. Did you urge them or tell them that also before the contract was signed?

Mr. O'BRIEN. No, sir.

Mr. KENNEDY. Did you have any discussions with them along that line before the contract was signed, that they might have to pay a \$50 initiation fee unless they signed these cards?

Mr. O'BRIEN. Well, there was bound to be a lot of discussions. They asked me for information.

Mr. KENNEDY. Did you ever have conversations along that line?

Mr. O'BRIEN. I don't think so. We were very careful—

Mr. KENNEDY. Is your answer that you did not tell any of the employees?

Mr. O'BRIEN. To the best of my knowledge, I did not.

Mr. KENNEDY. You say that only happened, and you are sure of it, after the contract was signed?

Mr. O'BRIEN. After the contract, I am sure I did.

Mr. KENNEDY. That is all.

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. O'Brien, in discussing membership in the union and the proposed contract with employees, did you at any time tell them that a contract would be entered into that, provided if they ever withdrew from the union, they would lose their job?

Mr. O'BRIEN. No, sir. As a matter of fact, there was some sort of abstract put on the bulletin board that granted them that permission to withdraw if they so desired.

Senator CURTIS. But the contract did not so provide?

Mr. O'BRIEN. I am not familiar with that.

Senator CURTIS. Do you belong?

Mr. O'BRIEN. Do I? No, sir.

Senator CURTIS. You don't know whether the contract has a maintenance of membership in it or not?

Mr. O'BRIEN. No; I don't, sir.

Senator CURTIS. That is all.

The CHAIRMAN. All right. Call the next witness.

Mr. DOYLE. Mr. Chairman, there is just one fact that I would like to establish on the record.

The CHAIRMAN. State your question.

Mr. DOYLE. During the summer and fall of 1952, Mr. O'Brien, do you know of the activities in the Newark unit of the A. & P. of any other union other than the Meat Cutters Union seeking to organize your butchers and clerks?

Mr. O'BRIEN. No, sir. It was just this one union, and they became increasingly active.

The CHAIRMAN. We have had testimony here that unions have been in there trying to organize and have an election for a number of years. That was in New York, though; you are confining yourself to New Jersey?

Mr. O'BRIEN. Yes, sir.

The CHAIRMAN. Did you know this program of inviting the Meat Cutters in to organize the clerks was general, was over all of that area, instead of just in New Jersey?

Mr. O'BRIEN. I wasn't too familiar with a lot of the activity.

The CHAIRMAN. About all you did was just carry out orders; is that correct?

Mr. O'BRIEN. That is true, sir.

Senator ERVIN. Also, Mr. Chairman, I will make this observation. According to some of the testimony, the union was diligent to see that the contract between the A. & P. Tea Co. and the union was kept secret until they could get the folks in New Jersey signed up, it appearing, from inference, that the object of the secrecy was to prevent any other union from finding out about it and having an opportunity to endeavor to organize New Jersey employees of the A. & P. Tea Co.

Mr. O'BRIEN. I would like to say that, prior to signing this, the clerks were very popular toward this union movement and there was no question in my mind but what it was just a question of time before they would have union representation. It grew in momentum and gathered speed and was inevitable. They were very much in favor of it. They needed no pressure from management.

The CHAIRMAN. The fair way would have been to put all of these questions that were trying, the Clerks Union and the Butchers Union, on the ballot and let the men determine themselves what union they wanted. That would be the right way to do it.

Mr. O'BRIEN. Mr. Senator, at my level, it was handled in a very fair way. It was very popular with the rank and file.

The CHAIRMAN. That doesn't seem to be the story now.

Mr. O'BRIEN. I am speaking of New Jersey, sir.

Senator ERVIN. It was calculated to produce cooperation on the part of the employees of the A. & P. Tea Co., since it is quite evident from the testimony that has been adduced that the A. & P. Tea Co. was just as anxious for this union to organize its workers as the union was anxious to organize them.

Mr. O'BRIEN. That could be.

The CHAIRMAN. Do you say that a 5-year secret contract for 45 hours a week was popular with the rank-and-file employees?

Mr. O'BRIEN. Forty-five-hour workweek, back in those years, was very desirable.

The CHAIRMAN. Forty-five hours a week for 5 years under a secret contract. Do you think that was popular with the employees?

Mr. O'BRIEN. You are getting beyond my depth. I can only talk of my own experience.

The CHAIRMAN. We are getting in beyond your knowledge, too, aren't we?

Mr. O'BRIEN. That is right.

The CHAIRMAN. And, also, beyond the knowledge of the clerks. They didn't know that was happening to them, did they?

Mr. O'BRIEN. I can't answer that, sir.

The CHAIRMAN. You didn't know it, and you were a supervisor.

Mr. O'BRIEN. Right, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. If the union was popular with the employees, why did management assist the union in signing up the employees?

Mr. O'BRIEN. As I interpret this, this movement just gathered in strength. They had these card counts going on, say, unofficially. They were presenting the store managers with this, and the supervisors, and perhaps our own office. So, finally, for a showdown, to declare their position of strength, they had this card count to establish that.

Mr. KENNEDY. Why did management assist? If this was a popular movement, why didn't you leave it up to the employees to make the decision? First, why did management assist, and why didn't you have an election in the stores? Can you answer those 2 points?

Mr. O'BRIEN. All I can say, Mr. Kennedy, was that the card count was an authorization for the clerks to have the union represent them.

Mr. KENNEDY. But that was done with the company's help and assistance by sending the employees back to see the union representatives.

Mr. O'BRIEN. Yes.

Mr. KENNEDY. The second thing is that you never got an election in the union.

Mr. O'BRIEN. Just card counts is all I am familiar with, Mr. Kennedy.

Mr. KENNEDY. When you make a point that this was a popular matter with the employees, certainly, the decision should have been left with the employees. Maybe they did not want this union. Possibly, they might want another union or, possibly, they would want an election.

Mr. O'BRIEN. To me, they did want it, and they had these cards unofficially. This was the way of determining it, officially.

The CHAIRMAN. All right. Thank you. Call the next witness.

Mr. KENNEDY. Alfred A. Bieber.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, ho help you God?

Mr. BIEBER. I do.

TESTIMONY OF ALFRED A. BIEBER, ACCOMPANIED BY JEROME
DOYLE, COUNSEL

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. BIEBER. My name is Alfred Bieber. I live at 170 Townsend Avenue, Pelham Manor, N. Y. I am a vice president of the eastern division of the Great Atlantic & Pacific Tea Co. in charge of the Bronx unit.

The CHAIRMAN. And Mr. Doyle appears as your counsel, does he?

Mr. BIEBER. He does.

The CHAIRMAN. Proceed.

Mr. KENNEDY. How long have you been with the A. & P. Co.?

Mr. BIEBER. 35 years.

Mr. KENNEDY. How long have you been vice president?

Mr. BIEBER. I have held the present job, not the title, for 30 years.

Mr. KENNEDY. How many?

Mr. BIEBER. Thirty.

Mr. KENNEDY. How long have you held the title?

Mr. BIEBER. A few years less than that.

Mr. KENNEDY. How long have you been in charge of the Bronx unit?

Mr. BIEBER. 30 years.

Mr. KENNEDY. There has been a long-term company policy, has there not, up until 1952, to oppose unionization of the employees?

Mr. BIEBER. There was.

Mr. KENNEDY. And there was an election held in March of 1952, was there not, which the union lost by a very close margin?

Mr. BIEBER. There was.

Mr. KENNEDY. That was local 474 that lost that election; is that right?

Mr. BIEBER. I believe there were two in there.

Mr. KENNEDY. But the union that came the closest was 474.

Mr. BIEBER. Yes.

Mr. KENNEDY. That was Pat Reape's union?

Mr. BIEBER. Right.

Mr. KENNEDY. CIO?

Mr. BIEBER. Right; CIO.

Mr. KENNEDY. Subsequently, the company decided to go along with the Amalgamated Meat Cutters Union?

Mr. BIEBER. I can't exactly say that.

Mr. KENNEDY. Subsequently, the company's policy changed toward unionization of its employees?

Mr. BIEBER. I can't quite go along with that. I don't think our policy changed. We were faced with an entirely different and new situation.

Mr. KENNEDY. Subsequently, the policy changed, that you would no longer oppose unionization?

Mr. BIEBER. That is correct.

Mr. KENNEDY. And the recipient of the change in policy was the Amalgamated Meat Cutters?

Mr. BIEBER. That is correct.

Mr. KENNEDY. Specifically, the policy changed, that you would no longer oppose unionization as long as the union was the Amalgamated Meat Cutters?

Mr. BIEBER. The Amalgamated were the ones that had threatened us, and I don't think the others came into any discussion.

Mr. KENNEDY. Other unions were interested in organizing your employees, were they not?

Mr. BIEBER. Yes.

Mr. KENNEDY. And they had been for some period of time?

Mr. BIEBER. Right.

Mr. KENNEDY. The change in policy was directed toward the Amalgamated Meat Cutters. You had opposed these other unions; you had opposed the CIO; you had opposed the 1,500. The change in policy was directed toward the Meat Cutters.

Mr. BIEBER. They were the only ones that could strike.

Mr. KENNEDY. In answer to the question, the change in policy was directed toward the Meat Cutters, was it not?

Mr. BIEBER. Mr. Kennedy, I don't want to try to get myself too mixed up, but, frankly, our policy did not change, except that we were faced with an entirely different situation.

Mr. KENNEDY. Your policy—let me go through it again. You opposed unionization up until 1952?

Mr. BIEBER. I did, and I would still today, if I could.

Mr. KENNEDY. Then, in the end of 1952, the policy toward unionization changed. We will go into the reasons that it changed, but it did change.

Mr. BIEBER. Our position changed; yes, sir.

Mr. KENNEDY. And it was a reversal, as far as the opposition to unionization by the company?

Mr. BIEBER. Yes.

Mr. KENNEDY. And the recipient of the change in policy was the Amalgamated Meat Cutters?

Mr. BIEBER. Yes.

Mr. KENNEDY. The reasons that the change occurred were a number, as I understand it; is that right, there were a number of reasons?

Mr. BIEBER. There were several; yes.

Mr. KENNEDY. During the period of time that led up to the card count in October 1952, had there been some discussions on the part of representatives of the company and representatives of the union that there would be a 5-year contract?

Mr. BIEBER. They thought they could negotiate a 5-year contract.

Mr. KENNEDY. Had there been some assurances that were offered by the Meat Cutters that they would give the A. & P. a 5-year contract?

Mr. BIEBER. Well, they had to believe our negotiator.

Mr. KENNEDY. From what you were told.

Mr. BIEBER. From what I was told; yes.

Mr. KENNEDY. Did you understand that was one factor in the decision to allow and permit or to have a change in policy toward the Meat Cutters?

Mr. BIEBER. It was not a deciding factor.

Mr. KENNEDY. But it was one factor?

Mr. BIEBER. It was a factor.

Mr. KENNEDY. There was another factor, was there?

Mr. BIEBER. There was.

Mr. KENNEDY. That was——

Mr. BIEBER. The threat of a strike by the Amalgamated.

Mr. KENNEDY. These were the two main factors that led the company to change its policy?

Mr. BIEBER. But not of equal importance.

Mr. KENNEDY. But these were the two main factors?

Mr. BIEBER. Those were two of the main factors; yes.

Mr. KENNEDY. Was it agreed at that time that subsequently there would be a card count?

Mr. BIEBER. I did not know of a card count until possibly a week before it took place—10 days maybe.

Mr. KENNEDY. Then the card count took place on October 9 and 10. You knew about the fact that there would be a card count on what, October 2 and 3?

Mr. BIEBER. Somewhere in there; yes.

Mr. KENNEDY. Did you then publicize throughout the store the fact that there was going to be a card count?

Mr. BIEBER. No.

Mr. KENNEDY. Why did you keep it quiet?

Mr. BIEBER. I had no reason to publicize it.

Mr. KENNEDY. If there was going to be a card count, all of the employees were to take part in it. Why wasn't it publicized throughout the stores that this card count was to take place?

Mr. BIEBER. I didn't feel that it was my job to notify the employees.

Mr. KENNEDY. Did you receive instructions that the card count was to remain secret?

Mr. BIEBER. No.

Mr. KENNEDY. Did you receive instructions that there was to be no publicity given to the card count?

Mr. BIEBER. Not that I can recall.

Mr. KENNEDY. Was it publicized at all, the fact that the card counts were to take place?

Mr. BIEBER. I would not know whether it was publicized. Not by me.

Mr. KENNEDY. Did you know of any place where the employees knew generally that this card count was taking place?

Mr. BIEBER. I can't say that I do.

Mr. KENNEDY. You did not oppose the representatives of the Meat Cutters in their attempt to obtain signatures?

Mr. BIEBER. We did not.

Mr. KENNEDY. Did you receive instructions to that effect?

Mr. BIEBER. Yes.

Mr. KENNEDY. That you were not to oppose them?

Mr. BIEBER. Yes.

Mr. KENNEDY. You knew that the card count was to select the bargaining representatives of the employees; is that right?

Mr. BIEBER. Yes.

Mr. KENNEDY. Did you know that the representatives of the union were going around and using subterfuges to get the people to sign the cards?

Mr. BIEBER. I heard there were various statements made by the union to the effect if they didn't sign, the dues, the initiation, would be much higher. Well, having been through a lot of union solicitations, there were a lot of wild statements made.

Mr. KENNEDY. By the union solicitors?

Mr. BIEBER. By the union solicitors.

Mr. KENNEDY. Did you understand they also told them that this was in order for the employees to get an election, obtain an election in the store?

Mr. BIEBER. I had not heard that before the testimony here, Mr. Kennedy.

Mr. KENNEDY. What other subterfuges did they use that you knew of?

Mr. BIEBER. Well, that they would be a marked man and the union would take proper steps and so forth. I mean it is all wild, and nobody believes it too much, I guess.

Mr. KENNEDY. And large initiation fees later?

Mr. BIEBER. Large initiation fees, I think.

Mr. KENNEDY. Why didn't you take some steps then to protect your employees by telling them what the true facts were?

Mr. BIEBER. I couldn't tell them what the initiation fees would be.

Mr. KENNEDY. You could tell them what the true facts regarding this whole matter were.

Mr. BIEBER. I could not speak for the union in telling them what initiation fees they would charge.

Mr. KENNEDY. These other subterfuges that they used that you knew were going on, why didn't you make a statement of clarification on that for these employees?

Mr. BIEBER. Mr. Kennedy, all the time this was going on, we were under threat of a strike, and under threat of a strike, you act differently than if you are not under the threat.

Mr. KENNEDY. You say that you did not tell the employees what the true facts were because you were afraid of a strike?

Mr. BIEBER. We were threatened by a strike.

Mr. KENNEDY. Is that the answer, that you did not tell the employees what the true facts were because you were afraid of a strike?

Mr. BIEBER. During what time?

Mr. KENNEDY. During this period they were getting ready for a card count.

Mr. BIEBER. That was a period of possibly a week.

Mr. KENNEDY. During this period of time when you knew they were making false statements.

Mr. BIEBER. I did not know at that time how the card count stood. I had no knowledge of it.

Mr. KENNEDY. That is not the question. The question is: Was the reason that you did not tell the employees the true facts on the card count, the true facts on the statements that were being made by the representatives of the Butchers, was the reason that you were afraid of a strike?

Mr. BIEBER. It was a very big part of our decision.

Mr. KENNEDY. That was what?

Mr. BIEBER. It was a big part of our decision.

Mr. KENNEDY. Not to tell them; is that right?

Mr. BIEBER. Not to tell them.

Mr. KENNEDY. That is on the part of the union representatives using subterfuges. What about on the question of when the employees signed these cards, that they were told that they were signing the card for an election, when the card count was taking place? What was the reason that you did not tell that to your employees?

Mr. BIEBER. Why didn't I tell them what they were signing the card for?

Mr. KENNEDY. Yes.

Mr. BIEBER. I didn't know prior to a week before the card check.

Mr. KENNEDY. During that period of time, the week before, from October 2 to October 10, or in that period, about the 9th, when there was a greater effort on the part of the Meat Cutters to get people to sign the cards, why didn't you tell the employees at that time that they were signing up, or that they were in the midst of selecting their bargaining representatives? Why didn't you publicize the fact that the card—

Mr. BIEBER. I thought I answered, Mr. Kennedy, that we were under the threat of a strike, and, as such, you walk very softly.

Mr. KENNEDY. I would think if you didn't want this union or actively want this union, then you would have wanted to make public to the employees what the situation was.

I can't see that the strike would play a part in that, that you could not tell the employees what they were doing, the fact that they were selecting a union, the fact that this card count was taking place.

Mr. BIEBER. I did not know how many cards they had. Maybe at that time they had all of them. There was no particular running around, signing of cards, by outside people in the Bronx unit.

Mr. KENNEDY. There was what?

Mr. BIEBER. I say there was no particular running around by outside business agents or anything like that in the Bronx unit. It was done chiefly within the store by the butchers.

Mr. KENNEDY. Don't you feel then in fairness to your employees that they should have known, No. 1, about the subterfuges that were being used on them, which you, as the manager of the store realized and knew, and, No. 2, the fact that this card count was going to take place at the end, on October 9 and 10.

Mr. BIEBER. To answer your first question, Mr. Kennedy, the wildest statements have always been made by unions in trying to organize. There is no way that I can controvert those.

Mr. KENNEDY. Except by making a statement as to what the true facts were. What about the second point?

Mr. BIEBER. Would you mind repeating it?

Mr. KENNEDY. The second point is why you didn't make public to your employees the fact that a card count was to take place on October 9 and 10.

Mr. BIEBER. Mr. Kennedy, I have tried to tell you that we were under threat of a strike, and, as such, we did not know what was going to happen.

Mr. KENNEDY. Did the union tell you that they would strike if you made public the fact that a card count was being conducted?

Mr. BIEBER. Not me; no.

Mr. KENNEDY. Did they tell your superiors?

Mr. BIEBER. I wouldn't know.

Mr. KENNEDY. Was that the information that came down to you?

Mr. BIEBER. The information was not to oppose the Amalgamated signing cards.

Mr. KENNEDY. This is just on the question of making it public. Were you informed that the union would strike if you made public the fact that the card count was being conducted?

Mr. BIEBER. No.

The CHAIRMAN. May I inquire about this of the witness, and maybe counsel can answer it: Is there anything in the files of the company, any letter, any memoranda, any documents, from the union in which it threatened a strike?

Mr. DOYLE. Yes, sir; Mr. Chairman.

The CHAIRMAN. I would like for that to be produced.

Mr. DOYLE. Your staff has a letter written on September 30 by the union's attorney, and then a telegram of, I think, October 7 or 8, stating economic sanctions, or words to that effect.

Mr. KENNEDY. What was the date that the telegram came that they were going to invoke economic sanctions?

Mr. DOYLE. I think it was the 7th or 8th.

Mr. KENNEDY. And this was 5 days after the witness knew about the card count.

Mr. DOYLE. The chairman asked if there was anything in writing, and I am sure, Mr. Kennedy, you are not eliminating the fact that the union leaders certainly could have stated these threats several times orally to persons, officials, of A. & P., who could have passed that on to Mr. Bieber, the witness.

I was simply trying to answer the chairman's question as to whether there was anything in writing. Those are the two writings I know.

The CHAIRMAN. I didn't know whether we had it. I wanted to get in the record if there was anything in writing, whatever there was in writing, to substantiate the contention that a strike was imminent. I wanted to see how strong it is, because I think in dealing with unions you always are laboring under the impression that a strike may result if the bargaining agreement is not reached. I just wanted to see about that.

This seemed to develop so suddenly. Apparently there had been no negotiations of any consequence, and all at once the management decides, "Well, we might have a strike, and we had better go in and settle with these folks and help them get a card count and get these folks in the union."

Mr. DOYLE. I don't want to prolong this, Mr. Chairman, but I think this witness has been trying to get across to you and to the committee the unique situation the A. & P. was faced with here.

For the first time we were threatened with a strike by a union that already had 25 or 30 percent of their employees. All of these other unions were not organized in the A. & P., and were trying to be organized, and so that the A. & P.'s attitude to the outside union was entirely different than it had to be with a union that already had its nose under the tent, and already had 25 percent of its employees organized, and they were trying to negotiate a contract with those Butchers.

I just simply wanted to get it on the record so that you and the committee could appreciate it.

The CHAIRMAN. I fully understand that, and I am trying to find out whether it was just the usual routine thing, that you may have a strike if you don't reach an agreement, or whether there was some extraordinary pressure applied. We will take these documents, whatever they show.

You say there was no other union. As I recall the Clerks' Union, No. 1500, had an election and they had a majority of the vote, in part of the places.

Mr. DOYLE. That took place about 6 or 7 months after the contract.

The CHAIRMAN. After the contract?

Mr. DOYLE. After the contract, yes.

Senator CURTIS. What year was this? You referred to a week during which there was a card count.

Mr. BIEBER. 1952, Senator.

Senator CURTIS. In what month?

Mr. BIEBER. The card count, you mean?

Senator CURTIS. Yes.

Mr. BIEBER. It was, I believe, in October.

Senator CURTIS. Now, were the Meat Cutters already in your store at that time?

Mr. BIEBER. Yes, sir.

Senator CURTIS. When did they come in?

Mr. BIEBER. About 1946, I believe.

Senator CURTIS. In 1946?

Mr. BIEBER. Yes, sir.

Senator CURTIS. And what employees did they have organized?

Mr. BIEBER. All of the meat-department employees.

Senator CURTIS. You have meat departments in all of your stores?

Mr. BIEBER. All supermarkets, and a few regular stores with meat departments.

Senator CURTIS. But you had a collective-bargaining agreement with them since 1946?

Mr. BIEBER. Yes, sir.

Senator CURTIS. Well, now, you have spoken of a threat of a strike. If you ended up with two unions, the Clerks' and the Meat Cutters' as bargaining agents, either one of them might call a strike.

Mr. BIEBER. That is correct, Senator.

Senator CURTIS. And if the Teamsters' Union particularly, as well as other unions, supported that strike, it would be quite crippling to your operations, would it not?

Mr. BIEBER. We would have to close down within 2 to 3 days.

Senator CURTIS. Well, the chances of the A. & P. suffering from a strike would be increased by negotiating contracts with 2 unions rather than 1?

Mr. BIEBER. We felt if we had to have a union, it was preferable to have one from our standpoint.

Senator CURTIS. Because if the Clerks for instance were dissatisfied, and chose to strike, and they were able to get the support of other unions and particularly the Teamsters, it would close down your meat department and your whole store.

Mr. BIEBER. Yes, sir.

Senator CURTIS. On the other hand, if the Meat Cutters Union struck, and likewise their strike was supported, it would close down the whole operation, including the Clerks?

Mr. BIEBER. It could easily have closed us out. I might say that one of the unions competing was at that time CIO, and we had AFL contracts with the Teamsters, the Warehousemen, and with the Butchers in the stores.

Senator CURTIS. Did the management of A. & P. figure it would be better to deal with 1 than 2?

Mr. BIEBER. Yes, sir.

Senator CURTIS. So you say while claims were made by organizers, after you had resisted over a period of years, you quit resisting and quit resisting their claims, is that right?

Mr. BIEBER. Well, part of their complaints were high initiation fees, over which we had no control. So they could go around and say it, and we could say, "Don't believe them," but we had no real authority or anything else to controvert them.

Senator CURTIS. I would like to ask your counsel, under the free-speech provision of the Taft-Hartley law, what in this premise could management say and what couldn't be said under the law?

Mr. DOYLE. Is that question addressed to me?

Senator CURTIS. Yes.

Mr. DOYLE. Would you read the question?

(The reporter read from his notes as requested.)

Mr. DOYLE. I would answer your question this way, Senator: that management had the right to choose whether to send letters to their employees and say there was some sort of card signing going on, and risk the abrupt action of this union that was already in their stores, of striking, or ultimately, under the right of free speech, they could remain neutral and say nothing.

In either instance, they were trying to protect themselves and their stockholders from a devastating threat of a strike. It is quite clear to me, and I was not counsel for the company at the time this took place, but the choice the company made was to avoid the possibility of a strike by not saying anything, and as this witness has already testified there wasn't much they could say anyway even if they wanted to exercise the right to say something.

Senator CURTIS. That is all.

Senator ERVIN. Now, in September of 1952, the company had opposed its employees, the clerks, in joining the union; hadn't they?

Mr. BIEBER. Not had opposed; no, Senator.

Senator ERVIN. They had a vote, an election, and the clerks had been trying to affiliate with unions in the election?

Mr. BIEBER. Not at that time, Senator.

Senator ERVIN. I am talking about 1952. I believe I have the months wrong, possibly.

Mr. BIEBER. Prior, yes; in March, there was an election held.

Senator ERVIN. And the clerks had refused to affiliate with the CIO union?

Mr. BIEBER. With either union, I believe, that was on the ballot at that time.

Senator ERVIN. Now, the company evidently came to the conclusion that sooner or later the clerks were going to be organized and they decided they would just cooperate with what they conceived to be the inevitable.

Mr. BIEBER. Senator, we were living on borrowed time at the time when this came up.

Senator ERVIN. Under those circumstances, you felt you might as well cooperate?

Mr. BIEBER. We had a choice of ports, and there was a storm, and we headed in for the one that we thought was the best harbor.

Senator ERVIN. By doing that, you got some concessions; didn't you? You got a 5-year contract?

Mr. BIEBER. I thought we had, yes.

Senator ERVIN. There was some prearrangement, was there not, between the A. & P. Co. and the Amalgamated Meat Cutters, which got the A. & P. in such a position that it sought legal advice as to what was to happen if these events occurred; namely, they did not oppose the unionization of the clerks by the Amalgamated Meat Cutters, and agreed to a card count rather than an election? The fruit of these possible future events was a 5-year contract?

Mr. BIEBER. Yes, sir.

Senator ERVIN. So they sought legal advice as to what would happen when these prophecies were fulfilled?

Mr. BIEBER. I might even say that prior to the card check, I believe the company had the hope that the union would not insist upon a card check.

Senator ERVIN. Now, were the Amalgamated Meat Cutters in the A. & P. Co. already, and were they threatening to strike?

Mr. BIEBER. There was a lot of wild talk in the stores, sir.

Senator ERVIN. I have heard a lot about strike threats in this investigation, but I never have been able to find out who made them. Could you tell us who was threatening to strike?

Mr. BIEBER. They get together and they talk, and some of the rumors come back to us about what they are going to do, and we try to weigh them and find out if they are good or bad, or any basis to it.

Senator ERVIN. They had gone so far as to seek advice. A. & P. Co. was seeking advice based in part upon a threat to strike, and we have had that testified about the threat to strike; but so far as the evidence discloses this threat to strike must have been made by some unknown and unidentified John Doe that creditors have been looking for all of these years and never have been able to find them. That is all.

The CHAIRMAN. Is there anything further?

Mr. DOYLE. Mr. Chairman, in response to Senator Ervin's last statement, I might point out that there is a document in the possession of the staff, taken from the files of the A. & P., reflecting the minutes of a union meeting of September 30, 1952, where one of the statements made at that meeting was "There was some talk about a wildcat grocery walkout and we will try to get more information on this today." It is Document No. 11222.

Senator ERVIN. Wasn't that based on the desire of the Amalgamated Meat Cutters already in the plant to get a 40-hour week?

Mr. DOYLE. All I can say, Senator, is that there is no talk in this part of the document about that.

Senator ERVIN. I think, based on the investigation, that was caused by the Amalgamated Meat Cutters already complaining about not getting a 40-hour week, and so you wind up with an agreement for a 45-hour week to last for 5 years on the part of the clerks.

The CHAIRMAN. If they delivered the clerks into the Butchers Union.

Senator ERVIN. If you delivered the clerks into the hands of the Butchers, that is right.

Senator CHURCH. Ultimately, the company did obtain a 5-year contract with the Meat Cutters Union, isn't that correct?

Mr. BIEBER. I believe the first contract was 2 years.

Senator CHURCH. It was 22 months, I believe.

Mr. BIEBER. Yes, sir.

Senator CHURCH. Then the testimony has shown that the company entered into a supplemental agreement which was not disclosed to the employees, which extended that contract to 5 years. Were you familiar with that?

Mr. BIEBER. No; I was not.

Senator CHURCH. Did you understand in your position as vice president of the company at this time or any time thereafter that the company did have a supplemental agreement or a gentleman's agreement or some kind of understanding that in fact the contract was not a 22-month contract but a 5-year contract?

Mr. BIEBER. I never had it very definitely explained even to me. I did question it, because after all I signed the 22-month contract.

Senator CHURCH. You did not sign any supplemental agreement extending that contract? You personally did not sign?

Mr. BIEBER. No.

Senator CHURCH. We do, of course, have in evidence the additional supplementary agreement and we had testimony on it last week. Mr. Schimmat was here last week before the committee and when he was questioned on it, and asked why the fact that such an agreement had been entered into was not disclosed to the employees affected, he answered that in his opinion it was not the responsibility of management to make any such disclosures, but this was solely a responsibility of a labor union.

I would like to ask you as an executive in this company, whether you share that feeling.

Mr. BIEBER. I heard Mr. Schimmat's testimony, and all I can say is that he was trying to do the best he could for the company. I have never negotiated with the unions directly, so I don't know what goes on in negotiations. All I can say is that Mr. Schimmat was faced with a decision that I am very glad I was not faced with. Since that time I have given it some thought, and I can honestly say I don't know what I would have done had I been faced with it.

Senator CHURCH. Can you tell me now, having given this matter some thought, whether, as an abstract proposition, you feel that it is not the responsibility of management to disclose the terms of a contract with the employees of a given company?

Mr. BIEBER. Well, after all, we had to continue to do business with them. We take it that they are the representatives of the employees. Once a union enters your organization, they have a new boss, and they go to them with their problems and their questions and so forth much more than they do to management.

I am not trying to go around the barn. I don't know, today, and I have searched, because I heard the testimony of last week, just what I would have done or would do now.

Mr. DOYLE. Senator, I don't think Mr. Bieber really got the question. Do you mind if I consult with him for a second? I think you

asked him in the abstract and he again answered you in the particular.

Senator CHURCH. Yes.

(The witness conferred with his counsel.)

Senator CHURCH. All I want to know, Mr. Bieber, is whether you personally approve of the fact whereby a company which employs thousands of employees, and they are your employees, enters into a contract affecting the wages and working conditions of these employees, and keeps the contract secret from those employees, whether this is a practice which you personally approve, whether you think it is a good management practice and a defensible practice.

Mr. BIEBER. If I had my choice, I would make certain that every employee knew everything that was in a contract. I think it is their right to know what they can and cannot do, and it would be easier because some of them really read things into a contract that never was there.

Senator CHURCH. What, in fact, was done in this instance, would not have your personal approval?

Mr. BIEBER. Well—

Senator CHURCH. That is all right.

Mr. BIEBER. Thank you.

Senator ERVIN. Mr. Chairman, I will just make this observation. It is refreshing to find the first person who confesses he cannot find an ex post facto solution to the problems.

The CHAIRMAN. The Chair presents to you a photostatic copy of a letter dated March 14, 1952, a photostatic copy, with an attachment, and I ask you to examine it and state whether you identify it.

(The document was handed to the witness.)

The CHAIRMAN. Do you identify it?

Mr. BIEBER. I do.

The CHAIRMAN. What is it?

Mr. BIEBER. One letter signed by me to all supervisors, specialists, managers, assistant managers, and first meatmen, all of whom are non-union. The second is "To all employees eligible to vote in next Wednesday's election."

The CHAIRMAN. That may be made exhibit 5 for reference. That need not be printed in the record.

(The document referred to was marked "Exhibit No. 5" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. The significance of it is that in March 1952, you did feel that it was quite proper for you to inform your employees what was going on and try to persuade them to vote against any union.

Mr. BIEBER. I did.

The CHAIRMAN. And by October your position had completely changed. Instead of keeping them informed of what was going on, you cooperated in a card count that got them all into a certain union.

Mr. BIEBER. Well, the circumstances were quite different, Senator.

The CHAIRMAN. I understand, but I am emphasizing the circumstances, if you want to put it that way. The circumstances in March were such that you were taking great pains to keep everyone informed and persuade them to vote against any union.

Mr. BIEBER. Yes, sir.

The CHAIRMAN. And by October you were taking no pains to inform them at all, and cooperating to get them into the Butchers Union.

Whatever your explanation, and certain events changed, that is a fact, is it not?

Mr. BIEBER. Yes.

The CHAIRMAN. Are there any other questions?

Mr. BIERER. May I say this: I did not cooperate to get them in. I did not oppose it.

The CHAIRMAN. How do you mean you did not cooperate, when you instructed everybody to let them come in during business hours and take employees and direct them around to the union people to talk to, and let them persuade them to sign cards? How do you contend that is not cooperation?

Mr. BIEBER. Mr. Senator, it did not happen in my Bronx unit.

The CHAIRMAN. It was testified here that it happened over in New Jersey, at least. That is not in your jurisdiction?

Mr. BIEBER. That is not in my jurisdiction, no, sir.

The CHAIRMAN. Well, the same company owns both establishments.

Mr. BIEBER. It is the same company, yes, sir.

Mr. DOYLE. Just so the record is clear, Mr. Chairman, the evidence that you just outlined took place in New Jersey which is a different unit, took place after the New York contract was signed, and I think later testimony will make clear why there was such a broad difference in policy in New Jersey as compared to the Bronx'

Mr. KENNEDY. We have had testimony and evidence before the committee, and I want to make sure that the record is completely clear, that coercion was used against the employees in the New York area also prior to October 11, to get the employees to join the union.

You did cooperate in two areas, at least. You cooperated when you knew there was subterfuge being used against the employees to get them to sign the cards, and you did not tell them or inform them about it, and the second point is you kept this card count secret, the fact that there was to be a card count, you kept that secret, so you cooperated to that extent.

Then you cooperated, of course, by changing the attitude toward unionization during this period of time. At the time the contract was signed, isn't it true that you understood there was an agreement, a gentleman's agreement, or whatever you might call it, that the 45-hour week would be extended for a 5-year period?

Mr. BIEBER. I understood that, yes.

Senator CILURCH. The reason for this cooperation, as has just been outlined by our counsel, Mr. Kennedy, as I understand your testimony, was because you were under circumstances where the Meat Cutters were threatening a strike.

You furnished this committee with certain documents. I concur with what Senator Ervin said that there is a good deal of vagueness around this threat of strike. Do you have any comparable documents that would indicate that the union ever took the position that, if you told your employees fully what this card business was about, and, when they signed the cards, what they were doing was designating this union as their bargaining agent, that as a result of such disclosures the union would strike? Have you any documents like that?

Mr. BIEBER. No.

The CHAIRMAN. Thank you very much.

The committee will stand in recess until 2 o'clock. I cannot determine at this moment whether the meeting will be here or in room 318. Those interested in attending may check with the committee staff.

(Whereupon, at 11:57 the hearing was recessed until 2 p. m. of the same day, with the following members present: Senators McClellan, Church, Ervin, and Curtis.)

AFTERNOON SESSION

(Members of the committee present at the convening of the session were: Senators McClellan, Curtis, and Church.)

The CHAIRMAN. The committee will be in order.

Call the next witness.

Mr. KENNEDY. Mr. Ratcliffe.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. RATCLIFFE. I do.

**TESTIMONY OF FRENCH T. RATCLIFFE, ACCOMPANIED BY HIS
COUNSEL, JEROME DOYLE**

The CHAIRMAN. State your name, and your place of residence, and your business or occupation?

Mr. RATCLIFFE. My name is French T. Ratcliffe. I live at 753 Summit Avenue, Westfield, N. J. I am director of operations of the eastern division of the Great Atlantic & Pacific Tea Co. in New York City, 420 Lexington Avenue.

The CHAIRMAN. Let the record show that Mr. Doyle represents Mr. Ratcliffe.

Mr. KENNEDY. How long have you been with the A. & P., Mr. Ratcliffe?

Mr. RATCLIFFE. Almost 30 years.

Mr. KENNEDY. And how long have you held the position you hold now?

Mr. RATCLIFFE. Almost 6 months.

Mr. KENNEDY. What position did you have during 1952 and 1953?

Mr. RATCLIFFE. I was industrial relations representative of the eastern division.

Mr. KENNEDY. What were your responsibilities as industrial relations supervisor?

Mr. RATCLIFFE. To conduct negotiations with the unions, deal with the unions in general, and see that our contracts were lived up to so far as we were concerned, and the union was concerned.

Mr. KENNEDY. Mr. Ratcliffe, it had always been the company's policy, had it not, to oppose unionization of the employees up to 1952?

Mr. RATCLIFFE. The company's policy; no sir.

Mr. KENNEDY. Well, the division's policy?

Mr. RATCLIFFE. That is a safe statement to make; yes, sir.

Mr. KENNEDY. A safe statement?

Mr. RATCLIFFE. Yes, sir.

Mr. KENNEDY. It is true?

Mr. RATCLIFFE. It is a question. In general it was true, but——

Mr. KENNEDY. It is a question of you. Was it always the company's policy?

Mr. RATCLIFFE. Up to 1952 in the eastern division; yes, sir.

Mr. KENNEDY. To oppose unionization of its employees up to 1952?

Mr. RATCLIFFE. In the eastern division; yes, sir.

Mr. KENNEDY. Now, in the election that was held on March 19, 1952, in the Bronx, the unions there made a great improvement over the showing that they had shown in prior years, did they not?

Mr. RATCLIFFE. I believe that is true; yes, sir.

Mr. KENNEDY. And the company was quite concerned about the increase of support by the employees of the union?

Mr. RATCLIFFE. Well, the company was quite concerned about any elections that we had, regardless of the outcome.

Mr. KENNEDY. You were particularly concerned in this election, were you not, by the fact that the unions seemed to be increasing in strength?

Mr. RATCLIFFE. I don't believe any more so than the previous one, sir.

Mr. KENNEDY. There was a letter that went out, and you had meetings as to what went wrong that the employees would vote such a high percentage for a union, and you discussed steps you could take to prevent the unionization, and what you could do to get the employees to be against the union?

Mr. RATCLIFFE. We tried to analyze it and find out why the surveys were not as correct as they had been before.

Mr. KENNEDY. Well, for instance, I will show you this letter of April 22, 1952, that goes into detail in the matter and says there was a combination of many things that contributed to the poor showing, but the best reasons advanced were as follows. So that election of March of 1952, the only point is that it did cause you some concern?

Mr. RATCLIFFE. It caused us concern.

Mr. KENNEDY. And the fact that union had increased its strength had caused you some concern, and you felt the company made a poor showing in that particular election?

Mr. RATCLIFFE. Well, I can't say yes or no to that, because that was my first election in the Bronx, and we were always concerned about our Bronx elections.

Mr. KENNEDY. Well, you were concerned in this particular case, as to the poor showing?

Mr. RATCLIFFE. That is true.

The CHAIRMAN. I present you the letter referred to, a photostatic copy of it, dated April 22, 1952, addressed to Mr. Burns and Mr. Reynals, chairman of the board and president, respectively, and signed with a capital "R," eastern division.

Mr. RATCLIFFE. That is my mark, sir.

The CHAIRMAN. Are you capital "R"?

Mr. RATCLIFFE. Yes, sir it is an "F. R."

The CHAIRMAN. Will you see if you identify that?

(A document was handed to the witness.)

Mr. KENNEDY. I am not going to ask any questions. The letter speaks for itself.

Mr. DOYLE. I take it you are not going to read it into the record.

Mr. KENNEDY. I wasn't planning to, unless the chairman wanted to.

The CHAIRMAN. We will make it an exhibit. If any questions are asked, you may see it again to refresh your memory. It is a question of identification I wanted to make of the exhibit.

Do you identify the letter?

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. It may be made exhibit No. 6.

(Document referred to was marked "Exhibit No. 6," for reference and may be found in the files of the select committee.)

The CHAIRMAN. That is made for reference, and if any question arises about it, you may see it further to refresh your memory.

We have two more letters and I don't know whether you can identify them or not. If so, I will put them in the record as exhibits.

I hand you a letter dated August 24, 1950, signed "Howard Lichtenstein," and addressed to Mr. Cohen. I cannot make out his full name here. It is Arnold Cohen, I think. I ask you to examine that letter and see if you identify it. I desire to make it an exhibit.

(A document was handed to the witness.)

Mr. DOYLE. Mr. Chairman, the witness states he doesn't remember the letter, and it is quite apparent this was a copy he sent from the outside counsel to the A. & P., and a copy was indicated for Mr. Ratcliffe, and we have no reason to dispute the fact it shouldn't be entered.

The CHAIRMAN. There is no reason to question the authenticity of it?

Mr. DOYLE. No.

The CHAIRMAN. It may be made exhibit No. 7.

(Document referred to was marked "Exhibit No. 7," for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Here is another letter, and I wonder if you can sufficiently identify these to see if they are copies. This is addressed to the manager, dated October 24, 1951, and signed by F. E. Charlton, vice president, and I wish you would examine this copy and state if you will identify it or if you can see that it is a part of the files of the company.

(A document was handed to the witness.)

Mr. DOYLE. There is no question of the authenticity.

Mr. KENNEDY. Mr. Chairman, both of these letters indicate for our benefit the attitude or position of the company toward unionization during this period of time. I think generally it supports the testimony of the witnesses given, but I would like to read this letter of October 24, 1951, into the record.

The CHAIRMAN. It may be read into the record and not made an exhibit.

Mr. KENNEDY. It reads as follows:

DEAR SIR: It was been brought to my attention that union representatives have been interfering with our normal business activities by campaigning in our stores during business hours.

Such interference is contrary to law and cannot be tolerated.

It is your responsibility as manager to see that union organizers are kept out of the store premises. As manager you should make it clear to any representatives or solicitors who attempt to enter into discussions with your employees or pass out leaflets on the store premises, that if they want to engage in this activity they must do so outside the store after business hours.

Very truly yours,

F. E. CHARLTON, *Vice President.*

The CHAIRMAN. I hand you another letter, a photostatic copy of a letter dated April 22, addressed to Mr. F. Ratcliffe, operating division, eastern division, and signed by Mr. R. J. McKee, personnel manager, and ask you to examine it and state if you identify it?

(A document was handed to the witness.)

Mr. DOYLE. Mr. Chairman, here again there is no question as to the authenticity of this document. It came from the files of the A. & P.

The CHAIRMAN. It seemed to be addressed to this witness. I assume he can identify it.

Mr. RATCLIFFE. That is true.

The CHAIRMAN. It may be entered into the record at this point. You may interrogate about it if you desire.

Mr. KENNEDY. This is the letter:

The following employees were very active with the CIO, 474 in the last union election. The seven men listed below were also selected as union observers with the CIO—

Then there are listed seven names. There is also another name mentioned as checker and a certain address.

* * * whose services have been terminated since the election.

There are four other individuals mentioned and then the letter concludes:

We have no immediate plans for these employees. However, if their work would prove unsatisfactory, they would most certainly be eligible for dismissal.

Very truly yours,

R. J. McKee, *Personal Manager*.

The CHAIRMAN. That seems to indicate, and I may ask you about it, if it was the policy of the company in April of 1952, and this letter is dated April 22, to check up on those that were active in the organizing effort or in the election with respect to selecting a union. Was it the policy of the company to discharge those who took part, those who took the most active part?

Mr. RATCLIFFE. I am sorry, sir. I didn't follow that.

The CHAIRMAN. Well, this letter indicates that immediately after the election, this check was made and that it became the policy, if it was not already the policy of the company, to discharge those who were active in supporting the union, those who were most active at least. Was that the policy of the company?

Mr. RATCLIFFE. No, sir. I say, "no, sir," and if I may qualify that, for the simple reason that the statement that these people could be fired if they took an active part in campaigning during the tour of observation.

The CHAIRMAN. It seems to me from the letter they had already taken a part; am I correct?

Mr. KENNEDY. These people whose names are listed are those individuals who took an active role in favor of the CIO Union, and those names were being furnished to you.

The CHAIRMAN. Some of them were observers at the polls, I take it?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. I believe that I don't recall the letter too clearly, but I believe what prompted the letter was the request of a ruling on whether or not they could be discharged for the activity that they took.

However, I also believe I can safely say that most of those people are still with us, and they were not discharged.

(At this point, the following members were present: Senators McClellan, Church, and Curtis.)

Mr. KENNEDY. Three are still with you, 3 of the 12.

Mr. DOYLE. And 2 resigned; that makes 5.

Mr. KENNEDY. Three are employed, 1 resigned before the date of the memo, 1 resigned after that, and 7 others were discharged.

Senator CURTIS. Mr. Chairman?

Mr. RATCLIFFE. But not specifically for that reason.

Mr. KENNEDY. No.

Mr. DOYLE. My records indicate 4 were discharged for failure to pay their union dues, the other 3 were discharged for disciplinary reasons. The first was discharged because of excessive absenteeism. He left New York City voluntarily and never told the company he was going. The second was discharged because of charges of dishonesty, substantiated by a confidential report from an independent investigating firm. The last one, it appears, was discharged for insubordination. Of the 7, 4 were discharged for failure to pay their dues. The company had no choice there. The other 3 were discharged for disciplinary reasons, all backed up by the company's personnel reports.

Mr. KENNEDY. I think it is interesting that you should write out a memo and list the 12 individuals who took an active role in favor of unionization. That would appear to indicate, at least, that there was a special interest in those who were in favor of unionization at that particular period of time, April 1952.

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Mr. Ratcliffe, this letter was addressed to you. What position did you hold at that time, April 22, 1952?

Mr. RATCLIFFE. Industrial relations representative of the eastern division.

Senator CURTIS. What does the industrial relations representative do?

Mr. RATCLIFFE. Well, labor relations, but we did not like the word.

Senator CURTIS. This letter from R. J. McKee, personnel manager—where was he personnel manager?

Mr. RATCLIFFE. In the Bronx unit.

Senator CURTIS. This letter informs you, as head of the eastern division industrial relations or labor section, of the names of certain people that were active for the CIO; isn't that correct?

Mr. RATCLIFFE. That is true.

Senator CURTIS. After listing them and telling what their addresses are, and what they were assigned at, such as checkers, the only other paragraph I see here in the letter is the last one. It says:

We have no immediate plans for these employees. However, if their work would prove unsatisfactory, they would most certainly be eligible for dismissal.

What does that mean?

Mr. RATCLIFFE. Well, it means just what it says, Senator.

Senator CURTIS. To me it says this, that on the basis of what they have done or their activity, there is no grounds to dismiss them, but it would depend upon their conduct as employees thereafter.

Mr. RATCLIFFE. That is exactly right, sir.

Senator CURTIS. That is what it says; it says:

We have no immediate plans for these employees. However, if their work would prove unsatisfactory, they would most certainly be eligible for dismissal.

Mr. RATCLIFFE. That is true, sir, and I think the record shows that that was the case, and the men that left the employment were dismissed for other just cause.

Senator CURTIS. You, as head of the industrial relations division, were notified by a store employee who it was that had taken an active part for the CIO. Was any other publication made of this letter that you know of?

Mr. RATCLIFFE. May we clear up one point, sir? You say a store employee. Are you referring to Mr. McKee?

Senator CURTIS. Yes, sir.

Mr. RATCLIFFE. He was personnel manager in the Bronx unit.

Senator CURTIS. He was in the Bronx unit?

Mr. RATCLIFFE. He was the Bronx unit personnel manager; yes, sir, at that time.

Senator CURTIS. And he had a responsibility to report to you?

Mr. RATCLIFFE. That is true.

Senator CURTIS. Was there any other publication made of this?

Mr. RATCLIFFE. Not to my knowledge at this point. I don't recall any.

The CHAIRMAN. Would you say that constituted a gentle or a pointed hint for you to find something wrong with their work?

Mr. RATCLIFFE. You are trying to put words in my mouth, Senator. I don't say so; no, sir.

The CHAIRMAN. If their work proved unsatisfactory, of course, they would be eligible for dismissal. Why would it make them any more eligible for dismissal than anyone else whose work proved unsatisfactory?

Mr. RATCLIFFE. They weren't, and other people were dismissed for the same reason.

The CHAIRMAN. It is a rather humorous situation. I don't know why you would write a letter saying that these are the ones that worked for the union in the election, and say—

We have no immediate plans for these employees. However, if their work—it doesn't say should—

would prove unsatisfactory, they would most certainly be eligible for dismissal.

I think anyone's work that would prove unsatisfactory might be eligible for dismissal. I am wondering why some others that didn't work were not included in the list, who didn't work for the union.

Mr. RATCLIFFE. So far as I am concerned, it constituted no threat, sir.

The CHAIRMAN. Would you regard this as a veiled hint or suggestion that it might be well to see if you could find something wrong with their work?

Mr. RATCLIFFE. No, sir; I don't—I didn't.

The CHAIRMAN. I don't know. I just couldn't tell from the way the letter is worded really what it means.

Mr. RATCLIFFE. No, sir; in those days when we wanted to fire them, we said "fire them."

The CHAIRMAN. "Fire them"?

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. That is what I thought. I couldn't see why you would single out these and say if their work was unsatisfactory, fire them, and not any others.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. You are the recipient of the letter, not the writer?

Mr. RATCLIFFE. That is true.

Senator CURTIS. As recipient of the letter, did you have anything to do with hiring or firing individual employees, in your position as industrial representative?

Mr. RATCLIFFE. I don't recall—in that position, no, I don't think I ever had any direct responsibility. Well, I know I never had any direct responsibility for hiring, and I can't recall any direct responsibility or any responsibility for anyone being dismissed.

Senator CURTIS. You wouldn't be the individual who would be in the store to observe whether somebody's work was unsatisfactory?

Mr. RATCLIFFE. No, sir.

Senator CURTIS. So if the letter was addressed to you, it could not be a hint to fire somebody because that wasn't your job?

Mr. RATCLIFFE. I was thinking about the letter on the choice of words by Mr. McKee. I can't answer that, sir.

Senator CURTIS. It was addressed to you.

Mr. RATCLIFFE. It was addressed to me, but certainly so far as I was concerned it was no hint or threat of dismissal of any of these people.

Senator CURTIS. The point I am trying to get at is you were not the person who hires and fires?

Mr. RATCLIFFE. That is true.

Senator CURTIS. When it was made to you, then, I don't see how it could be a hint to fire somebody, if it was made to you, somebody who didn't even handle that work.

The CHAIRMAN. I wonder why he wrote you about it in the first place.

Mr. RATCLIFFE. I have been wondering that myself.

Mr. DOYLE. I think I can offer one suggestion, Mr. Chairman. I think that the writer of the letter had this in mind. That the mere fact that a person worked as an organizer for the CIO didn't guarantee his employment the rest of his life in the A. & P.

The CHAIRMAN. Counsel, we are very glad to have your comments sometime, but, after all, we are looking for testimony. The witness who received the letter was the one who was expected to interpret it, and I was trying to interrogate him to see what it meant.

Senator Church.

Senator CHURCH. I was going to say, Mr. Chairman, that if I were to get a letter of this kind it would not be very difficult for me to interpret it. The language is pretty plain. It certainly represents a veiled indication to take action, I should think.

Mr. Ratcliffe, did the company normally advise you or other store managers from time to time upon singling out a certain employee that they could be dismissed if proper grounds were found for doing so? Was it a practice of the store to write letters singling out certain people who were active in one way or another and then say "If

proper grounds could be found, of course, these men could be dismissed?"

Mr. RATCLIFFE. No, sir. That was an unusual letter.

Senator CHURCH. It is an unusual letter?

Mr. RATCLIFFE. It is an unusual letter.

The CHAIRMAN. Was this an unusual letter?

Mr. RATCLIFFE. I say that is an unusual letter.

The CHAIRMAN. The unusual has more significance than the usual, does it not?

Mr. RATCLIFFE. No, sir. I don't understand it myself. The record speaks for myself. There was no——

The CHAIRMAN. I understand they were not all discharged. But it did inject a little humor into the inquiry.

Mr. RATCLIFFE. That relaxes me a lot, Senator.

Mr. KENNEDY. At least it is not a list of commendations for 12 individuals.

Mr. RATCLIFFE. No, sir, nor is it the other kind of a list. No; that is true.

Senator CURTIS. It still puzzles me that it was sent to somebody that

Mr. RATCLIFFE. I agree with you, Senator. That is absolutely right. That is the reason I say I don't understand the letter myself. I did not write the letter.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. At that period of time you were not very fond of unions, were you?

Mr. RATCLIFFE. At that period of time we were not.

Mr. KENNEDY. Is that right, at that particular period of time?

Mr. RATCLIFFE. We were not.

Mr. KENNEDY. You did not become fond of unions until about 3 or 4 months later?

Mr. RATCLIFFE. We did not become fond of unions, sir.

Mr. KENNEDY. You became fond of the Meat Cutters?

Mr. RATCLIFFE. We did not.

Mr. KENNEDY. You liked the Meat Cutters?

Mr. RATCLIFFE. No, we did not like them better than any of the others.

Mr. KENNEDY. You liked them better than other unions?

Mr. RATCLIFFE. In the sense that you mean, I can still say "No."

Mr. KENNEDY. Well, in the sense that you mean——

Mr. RATCLIFFE. When it is a bitter pill shoved down your throat, you have to like it.

Mr. KENNEDY. Let's discuss that a little bit. In 1952 did you have some conversations with representatives of the Meat Cutters as to their representing your clerks?

Mr. RATCLIFFE. In 1952?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. With representatives?

I discussed it several times with Mr. Block of the Amalgamated Meat Cutters, yes, sir.

Mr. KENNEDY. Did he make some offers to you as to certain terms that might be included in the contract that might be attractive to the A. & P.?

Mr. RATCLIFFE. There were suggestions. There was quite a series of conversations, and it was sort of intertwined with the beginning and building up of the negotiations of the butcher contract that was expiring that year.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. When did Mr. Block first approach you in connection with this?

Mr. RATCLIFFE. I would say in the late spring or early summer.

Mr. KENNEDY. July, maybe, or June?

Mr. RATCLIFFE. Earlier than that, I would guess.

Mr. KENNEDY. May or June, 1952?

Mr. RATCLIFFE. I would only guess, but I would say it was as early as April that I first got the suggestion that we consider the fact that, according to Mr. Block, he had a number of grocery clerks signed up, and he thought that he should represent them.

Mr. KENNEDY. And did he, during the course of the discussions, point out to you that he might be able to arrange it for you to obtain a 5-year contract?

Mr. RATCLIFFE. During the course of our negotiating the meat contract, there was the idea that crept into the discussion—

Mr. KENNEDY. Crept in?

Mr. RATCLIFFE. Crept in, yes, sir—that we could work out a contract for the butchers and, on proper recognition of the grocery clerks, that perhaps that same contract could be extended to cover the grocery clerks.

Mr. KENNEDY. And did it also creep in that you might get a 45-hour week over that period of time?

Mr. RATCLIFFE. That crept in, too.

Mr. KENNEDY. That crept in, too. Also in these discussions, was it also discussed as to what you were going to do with the CIO union that had been trying to organize your employees?

Mr. RATCLIFFE. Would you repeat that, please?

Mr. KENNEDY. Did it also arise in the course of these discussions as to what your attitude or what the position of the company was going to be toward the CIO union that was attempting to organize you?

Mr. RATCLIFFE. No, sir. We were organized with the CIO for a year.

Mr. KENNEDY. If you signed this contract with the Meat Cutters, what were you going to do with the CIO union?

Mr. RATCLIFFE. We had no intention of signing a contract with the Meat Cutters.

Mr. KENNEDY. But these various offers crept in about the 45-hour week and about the 5-year contract. Didn't that interest you a little bit?

Mr. RATCLIFFE. When I am negotiating, everything that pertains to the negotiation interests me, and I try to explore every avenue. Whenever we got into the depth of this thing, and I thought I had a 5-year contract with the butchers with the possibility of extending it to the grocery clerks, when and if the union proved themselves representing them, I was feeling pretty good about a 5-year contract. My job is to get a contract that covers us as long as possible.

But up until the very last moment did we have the qualms and fears of the union actually representing the grocery clerks.

Mr. KENNEDY. Do you mean you did not realize that up until the last moment?

Mr. RATCLIFFE. For months I did not take Mr. Block seriously at all.

Mr. KENNEDY. Were you attracted to these various discussions? We brought out earlier in the testimony you were somewhat concerned at the success of the CIO local in the Bronx unit, the success that they had in their contract, in the election, and this bait that Mr. Block and the Amalgamated Meatcutters were offering to you at that time, did that attract you a little bit?

Mr. RATCLIFFE. It attracted me personally; yes, sir.

Mr. KENNEDY. As a representative of the company it attracted you?

Mr. RATCLIFFE. No.

Mr. KENNEDY. It did not attract you?

Mr. RATCLIFFE. Wait a minute. May I put it in my own words? The proposition did interest me, but when Mr. Block first started in with this gentle breeze of a suggestion I told him very definitely that if I went back to the company with that kind of a proposition, they would throw me out of the 22d floor window. For several months we kept negotiating and talking about the Butcher contract and getting closer to our negotiations on the Butcher contract, and all the time Mr. Block was getting a little stronger on his request, to finally a demand, that we recognize the grocery.

Mr. KENNEDY. When you finally did go back in the summer of 1952 to the company and gave them the offer, did they throw you out the 22d floor window?

Mr. RATCLIFFE. No, sir, but they were very concerned about it.

Mr. KENNEDY. Did you discuss what Mr. Block had offered to you? Did you discuss that with the company attorney, Mr. Zorn?

Mr. RATCLIFFE. I did.

Mr. KENNEDY. Did you tell them at that time what the course of the conversations were, and these things that crept in in the conversations with Mr. Block?

Mr. RATCLIFFE. Yes, but that is before we figured any cost on it. I was not taking it seriously. I went to Mr. Block——

Mr. KENNEDY. Mr. Zorn.

Mr. RATCLIFFE. I went to Mr. Zorn.

Mr. KENNEDY. Mr. Zorn prepared a memorandum, didn't he, based on your recommendation?

Mr. RATCLIFFE. He prepared a memorandum, I think, based on my second conversation. Early in July, I would put it, when I began to realize that Mr. Block was more serious than I had taken him through April, May, and June; I went back to my superiors, who were quite concerned about it.

They sent me to Mr. Schimmat, to get his advice about it. He told me it was strictly eastern division's baby and we would have to make up our minds. Then I went back and told Block that we weren't interested, and he told me how simple it was, that all we had to do was to have a card count by some third party that would make an impartial card count, that he had the cards, and then we would recognize them and we could have a fair and legitimate contract.

I went to Mr. Zorn and asked him about whether or not a card count would be legitimate and acceptable. He told me most emphatically a card count would, at that time, that was in July. That is, I believe, all I asked Mr. Zorn at that time.

Mr. KENNEDY. You gave him the facts as had been developed in your conversation?

Mr. RATCLIFFE. Up to that point, yes, sir.

Mr. KENNEDY. We have this memorandum here to Mr. Zorn.

(The witness conferred with his counsel.)

Mr. KENNEDY. Can you listen to both of us? I haven't got a question that is outstanding.

Mr. DOYLE. Mr. Chairman, I wanted the witness to realize you were talking about a document that was written in a law office from one lawyer to another lawyer, before he answers the question, so that he wouldn't believe that the document you are referring to was something that necessarily he had read.

Mr. KENNEDY. Fine. These are the facts as outlined, as I understand it, by you to Mr. Zorn, which he, in turn, gave to his junior partner to prepare a memorandum as to what course of action the A. & P. could take in view of these facts. He relates on August 25, 1952—I would like to have Mr. May read what the factual situation was, and let you tell me if that correctly summarizes what the situation was as of August 1952.

Mr. MAY (reading) :

There have been NLRB elections involving the Bronx and Brooklyn clerks within the past 12 months. No union has received a majority of votes, and consequently no certification has issued. There is a possibility that the A. F. of L.-Amalgamated Meatcutters Union, hereafter called A. F. of L., which was not a party to the above-mentioned elections, may undertake an organizational campaign without company opposition.

This campaign may result in a strike threat, and a consequent recognition of the union by the company on the basis of a card check. The fruition of the foregoing event would be in the form of a 5-year contract with yearly wage reopening.

It says "positions."

Mr. KENNEDY. Was that a factual recitation as to what the situation was at that time?

Mr. RATCLIFFE. In July, when I first went to Mr. Zorn and asked him about the validity of a card count, he explained to me that such a card count could be made.

However, he did point out that a 5-year contract would have a doubtful value. I went back and talked to Mr. Block about this. I was trying to find as much argument as possible to discourage him from his insistent and persistent discussion of the grocery clerks, and claiming that he had sufficient cards lined up, and still insisting or trying to persuade me to go along with accepting a card count. Well, sometime in August the veiled or implied threat was received verbally from Mr. Block that he had the cards, sufficient cards, for the grocery clerks, and if we didn't recognize them—and he also made it very clear that he would not go to an NLRB election. In the first place, he could not, because the Bronx and Brooklyn were both on ice for the rest of the year of 1952. But he insisted that if we did not recognize a card count, we would have a work stoppage. I went back to Mr. Zorn and told him what the threats were at that time, and that

is when he started Mr. Lester Block exploring the legal aspects of the whole situation.

Mr. KENNEDY. This does not sound as if there was much of a strike threat, certainly, at this period of time.

It says here that the Meatcutters may undertake an organization—this is a recitation of the facts—may undertake an organizational campaign without company opposition.

You were already considering having this organizational campaign without opposing the union.

Mr. RATCLIFFE. No; that is not true. As I said, this thing started off like a gentle breeze, and it kept boiling up until it became a cyclone.

Mr. KENNEDY. At this time it was still very gentle.

Mr. RATCLIFFE. No; it was beginning to get stronger, and there was a veiled threat in late July and early August. Not until I got the veiled threat did I take it seriously enough to go back to my own people, other than the July report. And then I just explored. But some time in August, early August, as I recall, it became stronger, and by this time there was definitely the veiled threat and that is when I went back to Mr. Zorn again, and the veiled threat existed at the time this exploration was made by Mr. Zorn through his own office staff.

Mr. KENNEDY. During this period of time, did you make a study to find out how much the company would save if they had a 45-hour week rather than a 40-hour week?

Mr. RATCLIFFE. We made a study—I don't know the date, but I would guess that it was in August.

Mr. KENNEDY. It was during this period of time, if you were having these discussions.

Mr. RATCLIFFE. There were meetings called by Mr. Reynolds, of the unit heads, and whenever this thing got to the serious point that we had to do more than tell Mr. Block that we weren't interested, because we had told him "No," as emphatically as we could, he was still persistent, and he was beginning to break me down and convince me that possibly he had more than a majority of the cards. But—

Mr. KENNEDY. Just answer the question, would you, Mr. Ratcliffe?

Mr. RATCLIFFE. I tried to.

Mr. KENNEDY. Did you then make a study as to the relative cost to the A. & P. Co. of a 45-hour week versus a 40-hour week?

Mr. RATCLIFFE. Yes, sir.

Mr. KENNEDY. Then did you have an agreement with these discussions were going on that you would also take in the New Jersey area as well as the New York area, and Mr. Block would be able to organize them?

Mr. RATCLIFFE. Not at that time.

Mr. KENNEDY. Well, in September of 1952?

Mr. RATCLIFFE. I believe it was in September that the scope was extended to include New Jersey, because I don't remember Mr. Kaplan coming into the picture until early September. As a matter of fact, Mr. Block was the only one talking about the recognition of grocery clerks up until the end of August.

Mr. KENNEDY. But you did pretty well decide in early September that this arrangement would also include the New Jersey stores, is that right?

Mr. RATCLIFFE. No, sir. That was the invitation to recognize. By this time it was a demand.

Mr. KENNEDY. That was on September 2, was it?

Mr. RATCLIFFE. I can't swear to the date, but I would say that it was in the beginning of September.

Mr. KENNEDY. And then shortly afterward you decided that you would call on Mr. O'Grady to be the individual who would operate or run the card count?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. You did not?

Mr. RATCLIFFE. I did not.

Mr. KENNEDY. Was it decided by the company officials that Mr. O'Grady would conduct the card count?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. Do you know when that was decided?

Mr. RATCLIFFE. Approximately, yes, sir.

Mr. KENNEDY. When was it decided?

Mr. RATCLIFFE. I would say it was either the 2d or 3d of October. That is a guess. But it was an arrangement made by Mr. Zorn, our attorney, and Mr. Arnold Cohen, the union's attorney.

Mr. KENNEDY. You don't know of any arrangements made back in the middle of September, around the 19th or 20th of September, regarding the retaining of Mr. O'Grady for a card count?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. You do not?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. This is a meeting of September 2, which was taken from Mr. Zorn's timesheet. It recites a meeting which you attended.

Mr. MAY (reading). Lunch and dinner conference, Ratcliffe, J. Cohen, Sam Cohen, Max Block. Meeting, Schimmat and Ratcliffe, problem in re: Meat Cutters Union demand for organization and contract for all New York A. & P. employees, including clerks, including question of possible contract terms, and provisions of procedures with respect to possible subsequent NLRB proceedings, September 2.

Mr. KENNEDY. What were the subsequent NLRB proceedings that were of concern to you on September 2?

Mr. RATCLIFFE. That is Mr. Zorn's notes. I think he ought to answer it.

Mr. KENNEDY. What do you remember? You attended the conferences.

Mr. RATCLIFFE. I attended the conferences every day. I don't remember the specific conference. As I stated before, I thought early in September Mr. Kaplan came into the picture, and perhaps that is whenever they expanded their demands to include the two Newark units, Newark and Paterson units.

Mr. KENNEDY. Weren't you concerned at that time also about the fact that the other unions, the CIO union, and possibly 1500, would bring some NLRB action if you went in and made a contract of this kind?

Mr. RATCLIFFE. I don't think so; no, sir.

Mr. KENNEDY. Wasn't that discussed?

Mr. RATCLIFFE. I don't remember it being discussed.

Mr. KENNEDY. Certainly it is discussed in this August 25, 1952, memo, and it would appear that it was also discussed in the September 2 meeting, that you were concerned about the action that the NLRB might take, or what proceedings might occur before the NLRB.

Mr. RATCLIFFE. May have been, but I don't remember any particular threat over in New Jersey, the CIO or anybody else.

Mr. KENNEDY. I am not talking about New Jersey. But wasn't it during this period of time that you were also concerned about what proceedings might take place before the National Labor Relations Board, what actions these other unions might take against you if you went in and made this contract?

Mr. RATCLIFFE. That was another phase of it we were exploring for the sake of knowing all the legal approaches to it. I think that is strictly a legal——

Mr. KENNEDY. I am just saying that that was obviously one of the things that were of concern to you.

Mr. RATCLIFFE. Mr. Kennedy, as I tried to explain before, we tried every avenue to escape this pressure or this business of forcing us into recognizing the Amalgamated as representing our grocery clerks.

Mr. KENNEDY. It would appear that he had offered, or at least there had been discussions about the 45-hour week at this time, and a 5-year contract. This was obviously very attractive to you in view of the fact that the CIO union had been making some inroads, and they hadn't made, certainly, an offer of such an attractive contract.

Didn't you state to our investigators before when they interviewed you, that "Mr. Block dangled the bait and we took it"?

Mr. RATCLIFFE. No, sir; I didn't say he dangled the bait and we took it. He dangled the bait and we felt the merchandise.

Mr. KENNEDY. You just felt it; is that right?

Mr. RATCLIFFE. We explored the stuff.

Mr. KENNEDY. You just felt it?

Mr. RATCLIFFE. My job was to ferret out all of the possibilities of the contract, and to negotiate the best contract that I could with the Amalgamated for the butchers, and Mr. Block kept insisting on recognizing the Grocery Clerks.

Mr. KENNEDY. I am not saying that this isn't the best possible contract that you could negotiate. I don't think the A. & P. Co. could find fault with you on that, that it wasn't the best possible contract you could negotiate for the A. & P. Co. That is not the point we are looking into, exactly.

We are looking into how you were able to negotiate such a contract.

Mr. RATCLIFFE. Do you think it was a good contract? It was the best contract in 1952 in the whole industry.

(Witness conferred with his counsel.)

Mr. RATCLIFFE. For the workers; yes.

Mr. KENNEDY. On September 30, 1952, there was a letter written by Arnold Cohen to the A. & P. Co. Did you expect to receive that letter? Do you know the letter to which I am referring?

Mr. DOYLE. Is that September 30?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. Yes, sir; I expected to receive that letter.

Mr. KENNEDY. You had discussed the letter prior to that time?

Mr. RATCLIFFE. We had been forewarned.

Mr. KENNEDY. You had been forewarned. Thank you.

The CHAIRMAN. I submit to you a photostatic copy of the letter of September 30, 1952, addressed to the company, signed "Arnold Cohen." I ask you to state if you identify it.

(A document was handed to the witness.)

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. The letter may be printed in the record at this point. Counsel may refer to it for the purposes of interrogation.

Mr. MAY. It is addressed to the A. & P. Co. and reads as follows:

GENTLEMEN: I am the attorney for the Butchers' District Council of New York and New Jersey, which consists of local unions chartered by the Amalgamated Meat Cutters and Butcher Workmen of North America, in New York and New Jersey.

I have been requested by Max Block, president of the council, to inform you that the council, acting on behalf of its member locals Nos. 342 and 400 and 489 within their geographic units, has been designated as the sole collective-bargaining agent, each in their geographic units, in a unit consisting of your employees in the grocery, dairy, and produce departments employed in your supermarkets and service stores.

Then the attorney also makes mention that the particular locals also represent the majority of those employees. Then he continues:

I have been requested to notify you that Local No. 342 of the Amalgamated Meat Cutters and Butcher Workmen represent more than a majority of your employees in the above-mentioned unit in stores serviced by the Brooklyn warehouse, and also have been designated as sole collective-bargaining agent by more than a majority of the employees in the above unit in stores serviced by the Garden City unit, and that locals Nos. 400 and 489 of the Amalgamated Meat Cutters and Butcher Workmen Union have been designated as sole collective-bargaining agent by more than a majority of the employees in the above unit working in supermarkets and service stores supervised by your Bronx unit.

I have been requested by the council, acting on behalf of the aforementioned local unions, to request recognition by your company of the aforesaid council acting on behalf of the locals as sole collective bargaining agent for the employees within the aforementioned units, and separately in each of the units supervised by your Brooklyn, Garden City, and Bronx warehouses.

I have further been requested to urge you to communicate with the council, through Max Block, or through this office, to arrange a conference upon receipt of this letter, at which time collective bargaining negotiations can be commenced.

Very truly yours,

ARNOLD COHEN.

Mr. KENNEDY. You say you knew this letter was coming. Wasn't it a fact, then, that you were taking the first step in building up a record that this certain exchange of correspondence took place between you and the union, the company and the union, to build up a record in case there were any legal proceedings at a later date?

Mr. RATCLIFFE. That was not a fact, sir.

Mr. KENNEDY. This letter would make it appear that you were just beginning to negotiate, you were absolute strangers to one another, didn't know one another, but were just going to begin to sit down and discuss the contract, when, in fact, you had been discussing it for some 2 or 3 months.

Mr. RATCLIFFE. Five or six months.

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. As I say, it started out as a gentle breeze and blew itself into a tornado, and now the tornado is beginning to strike.

Mr. KENNEDY. The tornado takes a funny shape, because it makes it appear that you didn't discuss anything prior to this, that you were absolute strangers to one another.

Mr. RATCLIFFE. I can explain that.

Mr. KENNEDY. Go ahead.

Mr. RATCLIFFE. I don't know, but 2 or 3 days before we received this letter—and the reason I say I knew we were going to receive

the letter was because we had another one of these many, many meetings, and by this time Mr. Block was getting very forceful, strong and demanding, and he told us that he was—well, I will have to translate this to English.

He told us he would stop messing around and not put up with any stalling any more, that he had sufficient cards and he was going to be recognized by the company one way or another, and he was going to direct Arnold Cohen to send me a letter, and if we didn't accept that letter he would then take the next necessary step. That is the reason I knew that I was going to receive such a letter.

The CHAIRMAN. How does it happen this letter says "to arrange a conference upon receipt of this letter, at which time collective bargaining negotiations can be commenced"? You say they had been going on for 6 months. I do not understand this.

Mr. RATCLIFFE. The verbal instructions that we received about the letter was that Mr. Block was absolutely fed up with the stalling tactics that I was taking, that he had—

The CHAIRMAN. The stalling tactics were tactics you had employed in the course of negotiations?

Mr. RATCLIFFE. I was still undecided as to whether or not he had a fair representation of the grocery clerks. But he started implying his economic pressure, and at this point he said that he was going to stop being nice and going to get rough.

The CHAIRMAN. And this is the way he got rough?

Mr. RATCLIFFE. He got rough by taking the first step, and they, also, in this conference, invited us to agree that Mr. Zorn and Mr. Cohen sit down and elect a third party. We still tried our stalling tactics and they didn't work, and as a result we received that letter. But in between the conversation and that letter I made a quick survey of the three New York units.

This survey showed that, according to our information, the clerks, a majority of the clerks, were not signed up. When I received the letter, I called Mr. Zorn and I told him also—well, I mailed the letter to him. I sent it with a transmittal letter of mine, just a note, that according to a quick survey the union still does not have a majority of our grocery clerks signed up.

With that, Mr. Zorn suggested on the telephone that we call Mr. Block's bluff, if I felt that this survey was correct. I then went back to my top management and told them what had transpired.

The CHAIRMAN. I hand you what purports to be a photostatic copy of the letter to which you referred, which you sent Mr. Zorn, at which time you transmitted, I assume, to him, this letter which has already been read into the record, the letter of September 30.

(A document was handed to the witness.)

The CHAIRMAN. Is that correct?

Mr. RATCLIFFE. That is correct.

The CHAIRMAN. That may be printed in the record at this point.

Mr. KENNEDY. The letter of October 1, 1952, to Mr. Zorn, Proskauer, Rose, Goetz & Co., 11 Broadway, New York City, N. Y., reads as follows:

DEAR MR. ZORN: Enclosed please find self-explanatory letter that I received from Mr. Arnold Cohen representing the Amalgamated Meat Cutters and Butcher Workmen of North America in New York and New Jersey.

We question Mr. Cohen's statement that Mr. Block represents a majority of the employees in our grocery, dairy, and produce departments of our supermarkets and service stores.

Therefore, will you kindly contact Mr. Cohen and clear up this matter.

Yours very truly,

FRENCH T. RATCLIFFE.

During this whole period of time you had been discussing the matter with Mr. Zorn; had you not?

Mr. RATCLIFFE. Surely.

Mr. KENNEDY. This is an extremely formal letter that you are writing to Mr. Zorn, furnishing this other letter that had been sent to you. Wasn't it a fact that you wrote this letter so that if there were any NLRB proceedings at a later time you could show them this correspondence you had received and what steps you had then taken?

Mr. RATCLIFFE. That is not a fact, sir.

Mr. KENNEDY. Did Mr. Zorn then write a letter or send a telegram? Do you know if Mr. Zorn then took any action?

Mr. RATCLIFFE. Yes; I directed him to get in touch with Mr. Cohen and clear the matter up. I am sure that he followed through on it.

Mr. KENNEDY. Do you know what steps he took after that?

Mr. RATCLIFFE. That would be Mr. Zorn's—

Mr. KENNEDY. But do you know what he did?

Mr. RATCLIFFE. Precisely; no.

Mr. KENNEDY. Hadn't you discussed it during this period of time, that you would have to have certain documents that would pass between yourselves and the union to make sure that the record looked proper in case there were a proceedings at a later time?

Mr. RATCLIFFE. Mr. Kennedy, it wasn't that we were that smart. We weren't anticipating any necessity for that. Whenever the union went on paper, we went on paper. When the union brought along a lawyer, I brought along a lawyer. When I got a letter from the union lawyer, I sent it to my lawyer.

Mr. KENNEDY. In very formal terms. Particularly, the letter from the union would make it appear that you hadn't been discussing this whole matter for a period of 3 or 4 months, which you had, and your letter is an equally formal letter, and then you say you weren't smart enough to anticipate all these things.

I point out to you that in the memo of August 25, 1952, which was some months prior to this time, you made a study as to what action the NLRB might take if you signed such a contract with the Amalgamated Meat Cutters, and what action Local 1500 of the Retail Clerks could take, and what action the CIO union could take.

So back in August of 1952 you were that smart, and September 2, 1952, indicates that you were then discussing and consulting as to what the NLRB might do.

I ask you again if this exchange of letters was not a matter of trying to build a record in case the NLRB should look into this matter or in case a union should question or challenge the contract?

Mr. RATCLIFFE. It was not.

Mr. KENNEDY. Do you know the letter that Mr. Zorn wrote to Mr. Cohen?

Mr. RATCLIFFE. I don't know whether I did or not.

Mr. KENNEDY. Then I won't go into that.

You were stating that you were undecided as to whether you should sign up with the Amalgamated or go along with the Amalgamated; is that right, in October 1952?

Mr. RATCLIFFE. In October 1952?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. We were undecided right up until the last minute, until we put it down in black and white as to the calculated risk of the economic sanctions, and then when we felt that the risk was too great, that is around—well, the first week of October—and that is when we capitulated.

Mr. KENNEDY. You took a survey?

Mr. RATCLIFFE. I took a survey the last couple of days in September, sir.

Mr. KENNEDY. And you thought that the Meat Cutters would not have the employees?

Mr. RATCLIFFE. The report showed that the Amalgamated did not have the grocery clerks signed up in the three New York units.

Mr. KENNEDY. But in this period of time you said that Mr. Block had been stating that he did have them?

Mr. RATCLIFFE. He had been stating that since April or early in the summer.

Mr. KENNEDY. Why did instructions go out to your employees on the 7th of October—if Mr. Block already had the employees signed up, why was there an intensified drive to sign up more employees just prior to the card count on October 7 and 8?

Mr. RATCLIFFE. Some time around the 3d or 4th of October, after my discussions with Mr. Zorn to conduct the matter with Mr. Cohen, we came back, and we thought we were calling their bluff. Whether or not we called their bluff or whether we got stuck with it, the next turn of events was that the union further told us that we would have a strike on our hands, because if we didn't give them a card count they would not sign the Butchers' contract even though by that time we had concluded it.

Mr. KENNEDY. Mr. Ratcliffe, answer my question.

Mr. RATCLIFFE. I am trying to.

Mr. KENNEDY. I don't think you have to go through all of that. You testified that Mr. Block told you that he already had a majority of the employees signed up. Why, then, were arrangements made in October, October 7 and 8 of 1952 for an intensified drive by the Meat Cutters to sign up your employees?

Mr. RATCLIFFE. All along we didn't believe them, and until we had an official card count by a third and disinterested party we were willing to accept the card count.

Mr. KENNEDY. Obviously, you couldn't have had them signed up—

Mr. RATCLIFFE. There were always doubts.

Mr. KENNEDY. Why did the company help them?

Mr. RATCLIFFE. We didn't help them.

Mr. KENNEDY. Why did they change and alter their policy toward this union? That is the first question.

Mr. RATCLIFFE. Under the threat of a strike if we did anything else. But the fact is—

Mr. KENNEDY. Do you mean to say that the union said, "Unless you go in there and allow us free access to your employees, you will have a strike"?

Mr. RATCLIFFE. That is right, that we would have no butcher contract even though we had concluded our negotiations, and that the Butchers alone could stand in front of each store, stand in front of the stores, and stop our whole activity in all of our store operations.

Mr. KENNEDY. You say you would have been agreeable to a card count, but they said, "It has to go further than that. You have to change your policy, the policy of the company, and allow us free access to the store in our attempts to sign up employees, or otherwise we will strike, if you don't allow us free access to your store and your employees"? They said that to you?

Mr. RATCLIFFE. They said that to us.

Mr. KENNEDY. This was after they already told you that they had the employees signed up?

Mr. RATCLIFFE. I have been trying to explain to you that we never believed them. Certainly we were justified in our lack of belief even up to that point. But that was hindsight. We didn't discover that until some time later.

Mr. KENNEDY. Again taking the one step further, according to the testimony before our committee, there were individuals, supervisory employees, of the A. & P. Co. that actually assisted in the signing up of the employees of the A. & P. Co., coerced employees to sign these cards?

Mr. RATCLIFFE. I don't know that for a fact. I have heard it recently. But I daresay there were just as many managers and supervisors on the antiunion side, and they were all acting on their own and without direction from the divisional office, and I am pretty sure without direction from the unit office.

Mr. KENNEDY. This is a situation where, at least by the 1st of October, the union had told you that they already had a majority of the employees signed up. Then they said, "Now we are going to have to put on a new drive," which would indicate that they didn't have a majority signed up, and at that time they said to you that you could not oppose them in their drive. Then according to the testimony we have had before the committee, the company officials actually coerced the employees into the union.

If you have given an answer to those matters, tell the committee why you kept the secret during this period of time that you were having this card count secret from your employees?

Mr. RATCLIFFE. When we got down to the deadline, and we were definitely running out of time, because we sparred for time all summer and all fall, when we got down to the 1st of October we really had the gun to our back, and we were seriously threatened with a work stoppage of either the grocery clerks, if we didn't recognize the card count, or if we didn't give them free access to go in and out of the stores and keep our mouths shut about it we would not get the Butchers' contract signed.

The CHAIRMAN. I think there is one point we ought to clear up before we go further. Are supervisors and managers part of management and not eligible as employees to join the union?

Mr. RATCLIFFE. That is true, sir.

The CHAIRMAN. It had been the policy of the company heretofore, and I am sure all managers and supervisors were familiar with that policy, to oppose unionization; is that correct?

Mr. RATCLIFFE. That was the company's policy, but it was not the individual managers or supervisors in all cases.

The CHAIRMAN. The individual managers and supervisors were not eligible to join the union in the first place?

Mr. RATCLIFFE. That is true.

The CHAIRMAN. All right. The managers and supervisors had heretofore carried out the policy of the company as antiunion or against organization; isn't that true?

Mr. RATCLIFFE. Not entirely, no, sir.

The CHAIRMAN. You wouldn't keep one long that didn't carry out the policy of the company, I am sure, if you knew it.

Mr. RATCLIFFE. If we knew it, but how are we going to know it, sir.

The CHAIRMAN. All right. Let's take it a little further. Do you mean that these managers and supervisors all changed over on their own without the company's knowledge when they went out and encouraged or even coerced employees to sign cards to join this union? Do you think they would do that without the company knowing it?

Mr. RATCLIFFE. There is no evidence of all the managers and supervisors coercing.

The CHAIRMAN. I didn't say all of them. Some of them. Any of them.

Mr. RATCLIFFE. Nevertheless, any of them. I know of no instance where the supervisors or managers went out and were even prounion minded.

The CHAIRMAN. I just can't conceive that a part of management, the managers and supervisors, who are bound to have known and who were bound to help enforce the policy of the company against unionization up to that time, suddenly, without any suggestion from management reverse their position and go out and undertake to help organize, without management knowing it, without management's approval. It just does not stand to reason.

Mr. RATCLIFFE. I fail to see any proof of such action.

The CHAIRMAN. We have some proof of it.

Mr. RATCLIFFE. But the thing is this: There definitely was an agreement between the company and the union on a hands-off policy. That fact was passed along to the units, who in turn, passed it along to the supervisors. There, again, if we had taken the wraps off and they were prounion minded, that would be an invitation for them on their own to go out and do something about it.

The CHAIRMAN. You had supervisors and managers who were not eligible to join the union, who were prounion minded?

Mr. RATCLIFFE. In an organization of our size, yes, sir, we are bound to.

The CHAIRMAN. You didn't know any of them, did you?

Mr. RATCLIFFE. Personally, no.

The CHAIRMAN. Did any other in management know about any of them?

Mr. RATCLIFFE. I can't speak for any of them.

The CHAIRMAN. I can't conceive that management would keep a manager or supervisor that was working against the known, estab-

lished policy of the company. I don't think management would keep them.

Mr. RATCLIFFE. Sure we would. Senator, some of our managers were ex-butchers, and we know that they were union minded. Perhaps they didn't even turn in their cards. We also have had rumors from many sources that a lot of our managers carried union cards. What is the point in them carrying a union card? I can't understand it either. That is the reason I can't explain it to you.

Mr. KENNEDY. You received a letter which was dated October 8, 1952, from Eugene Kennedy. This has already been made an exhibit.

Gentlemen, information from unimpeachable sources has come to us that notwithstanding the pendency and still undetermined status of the above-entitled representation proceeding initiated by our union as petitioner, your district supervisors have been visiting your supermarkets in the geographical area in said petition involved, urging the employees comprising the bargaining unit, to join up and affiliate themselves with the Amalgamated Meat Cutters of Greater New York, Local 342.

I might say that the representative of the National Labor Relations Board when he appeared before the committee, read in a number of affidavits from individuals who stated they were coerced into joining and signing these cards, and were coerced by the management representatives of the A. & P. Co. I can read those to you, if you like, if there is any question about it.

Mr. DOYLE. I think he would like to address himself to the letter first, Mr. Kennedy.

The CHAIRMAN. All right. Address yourself to the letter.

Mr. DOYLE. I think I recognize the letter, but I would like to see it. (The document was handed to the witness.)

Mr. RATCLIFFE. This was dated October 8, and I received it October 9. I immediately turned it over to Mr. Zorn, I am sure. His reply was that he was about 3 or 4 days late, because by this time the stipulations had been drawn and the card count was underway. There was no way of stopping it. I would also like to point out that this fact shows that the so-called arrangement was not secret, because if Mr. Kennedy knew about it, everybody knew about it.

Mr. KENNEDY. Certainly he didn't know about the arrangement. He just knew that the representatives of the A. & P. were around coercing the employees to sign up with the Amalgamated Meat Cutters. He didn't know that you were going to then hold a card count. Why didn't you make it public that you were going to hold a card count?

Mr. RATCLIFFE. Apparently it was public, if Mr. Kennedy knew about it.

Mr. KENNEDY. Some individuals were complaining about it. Why didn't the A. & P. Co. make it public, the fact that this was going to be a card count?

Mr. RATCLIFFE. For two reasons. In our book, it is the union's duty to make it public, and No. 2 under threat of strike, we had to keep our mouth shut.

Mr. KENNEDY. Do you mean that the union said, "Unless you keep it quiet that you are going to have a card count, we will strike you?"

Mr. RATCLIFFE. Yes, sir. That was part of the whole arrangement.

Mr. KENNEDY. Don't you think the A. & P. Co. have any responsibility at all to their employees? These are people that are working for you, and don't you think that as management you have responsibility to them to keep them advised?

Mr. RATCLIFFE. On topics, it is our duty to keep them advised, yes. But when they sign a card which clearly states what they are signing, and they say then they did not know what they were signing, it does not make sense. All of these cards were clear and concise, and it was the union's job to put the thing across, and I say that they did it. I also say that the very few clerks who claimed that they did not know what was going on are very much in the minority, and most of our clerks were smart enough to know what they were signing.

Senator CHURCH. A minute ago, Mr. Ratcliffe, if I heard you correctly, you said the company did not make the card count public because that was part of the whole arrangement. What did you mean by that?

Mr. RATCLIFFE. When we got right down to the wire and our hands were tied behind our backs, and Mr. Block was making his—well, what is stronger than demands—he was telling us what we were going to do. But we discussed all the points, and we got down to the point where we came up with this agreement: That if Mr. Block was right, and he had sufficient cards signed up, it would make no difference anyway. Mr. Zorn and Mr. Cohen would get together and establish a third disinterested party to make the card count. If the card count was successful, they would have the same opportunity extended to the New Jersey stores and, four, if the card count was unsuccessful we would have a card count with the butchers and they would get off our backs.

Senator CHURCH. And the company remaining quiet with respect to the employees as to the fact that a card count was in process was part of the arrangement you had with the union, is that right?

Mr. RATCLIFFE. That was all that four-phased agreement, yes, sir.

In other words, Senator, it was, again, a very powerful threat of a work stoppage.

Senator CHURCH. Following this, did you go ahead with the contract itself? Did you negotiate the contract itself with the Meat Cutters Union?

Mr. RATCLIFFE. I had been negotiating the contract with Mr. Block and with the committee on and off all summer.

I felt, as I remember it, that we had pretty well concluded what I thought was a pretty firm contract for the butchers early in September. I even went so far as to draw a draft, and I later submitted it to the union, after I submitted it to our unit heads and all of our people who are principals in our contracts.

Senator CHURCH. Did you negotiate the contract that was finally entered into, the 22-month contract that applied not only to the meat-cutters but the clerks as well?

Mr. RATCLIFFE. No, sir. It was negotiated exclusively for the butchers, and also, I thought, on a 5-year term. But the inference all along was that when and if the grocery clerks indicated their preference of the amalgamated representing them, the butcher contract could very easily be converted into a contract covering the grocery clerks, which would be the best contracts that the grocery clerks had ever gotten, moneywise.

Senator CHURCH. Ultimately the company did enter into a 22-month contract with the Meat Cutters Union which covered both the butchers and the clerks, is that right?

Mr. RATCLIFFE. That is true.

Senator CHURCH. Did you negotiate that contract?

Mr. RATCLIFFE. Yes, sir.

Senator CHURCH. Did you?

Mr. RATCLIFFE. I did that with the help of Mr. Schimmat, Mr. Zorn, and the union—there was quite a party.

Senator CHURCH. You participated in the negotiations, consummated by this contract.

Mr. RATCLIFFE. Yes, sir.

Senator CHURCH. Did you know that there was drawn between the company and the union a supplemental agreement that extended this contract from 22 months to 5 years and preserved the 45-hour week and included the union shop, that this supplementary contract was entered into?

Mr. RATCLIFFE. I did not know it.

Senator CHURCH. You did not know it?

Mr. RATCLIFFE. At that time.

Senator CHURCH. At that time?

Mr. RATCLIFFE. I have since learned of it, yes.

Senator CHURCH. Did you subsequently learn that such a secret contract had been entered into?

Mr. RATCLIFFE. I think Mr. May told me about it.

Senator CHURCH. When was this?

Mr. RATCLIFFE. A couple of months ago.

Senator CHURCH. You didn't know until a couple of months ago that the company had in fact entered into a secret contract with the union for a 5-year contract?

Mr. RATCLIFFE. Senator, I don't think the company entered into any secret agreement. That was a private agreement on the part of Mr. Schimmat, and it was nothing more than a little insurance.

He felt that I had been doublecrossed in my negotiations.

Senator CHURCH. It was wonderful insurance, because there is testimony here that it was worth anywhere from \$2 to \$12 million a year to the company.

Mr. RATCLIFFE. That is an exaggerated amount.

Senator CHURCH. That may be your opinion.

Mr. RATCLIFFE. I know it is.

Senator CHURCH. We have testimony that varies from the one figure to the other.

Mr. RATCLIFFE. Yes, sir, I know.

Senator CHURCH. Certainly it was a matter of great concern to the company to have some kind of private insurance or private arrangement whereby the 45-hour week would be retained over a 5-year period, at the very time when the 40-hour week was beginning to be negotiated in the industry.

Mr. RATCLIFFE. Sir, that was not a company arrangement. That was Mr. Schimmat's private arrangement.

Senator CHURCH. Who is Mr. Schimmat? Isn't he a representative of the company?

Mr. RATCLIFFE. He is a representative of the company, and he had the insurance, but it was not exercised. That is what I wanted to get

across. That agreement was never brought to light, it was never exercised, because in 1955, when we were negotiating the contract, long before Mr. Block even got into the negotiations—and it is always his practice, he follows a very even practice, that he stays out of the negotiations for the first 3 or 4 times, and we sit down with 107 councilmen or negotiating committeemen from all 5 units. There are some 10 union officials. It so happened that Mr. Joseph Cohen of local 400 was the strong advocate of the 40-hour week. He was going at great guns on the demands for a 40-hour week. We offered them point-blank the 40-hour week on the Safeway basis, which is a 40-hour week with a stagger. After about a half day's argument, the committee itself rejected it, and they gave us a little less than a 24 months' contract with the same 45-hour week.

After that contract was signed, Mr. Schimmat has since told me he destroyed his little insurance policy and I only learned about it very recently.

Senator CHURCH. An insurance policy is insurance only if it can be relied upon to provide the safeguard that is included in the policy. Otherwise it is just a meaningless scrap of paper. This is obviously something that was more than a meaningless scrap of paper. This was a private arrangement, a supplemental agreement that was entered into by an authorized representative of the company and the labor union, and it obviously had great value to the company.

Mr. RATCLIFFE. Well, it didn't, sir.

Senator CHURCH. You say that you learned about this only 2 months ago?

Mr. RATCLIFFE. Yes, sir.

Senator CHURCH. Tell me, do you think that the company has no obligation to disclose the terms of such a supplemental agreement that affects the working hours and conditions of the employees of the company?

Mr. RATCLIFFE. Sir, I still maintain that that was not a company document. That was Mr. Schimmat's personal document, and I think that he answered the thing himself.

Senator CHURCH. How could it be Mr. Schimmat's personal document? Mr. Schimmat doesn't employ these people. He is a paid representative and authorized representative of the management of A. & P., and he was one of those who was authorized by the company to negotiate with the union.

How can it be his private agreement? That makes no sense.

Mr. RATCLIFFE. It was a private agreement. No one else in the company knew about it, so it was a private agreement. You are saying that the union people didn't know. No one but the union president knew about it, so it was private on that side.

Senator CHURCH. This agreement was obviously done in terms that were meant to be binding on the A. & P. and the union, and was negotiated by a representative of the union and A. & P.

You personally had been negotiating with him in previous negotiations with these very same people. It was the thing you were looking for. It was the thing that crept into your earlier negotiations. Obviously, it was something that had great value to the company. It just doesn't make sense for you to say that this was a private arrangement with Mr. Schimmat.

Mr. RATCLIFFE. But it was never used, Senator. That is the main point. The agreement was held in secret by Mr. Schimmat, according to his own testimony, and I negotiated in good faith with a 107-man committee, and they, themselves, rejected the Safeway 40-hour week, and gave us a less-than-24-month extension on the 45-hour week.

Senator CHURCH. This so-called private agreement, to use your phrase, was designed to give insurance, to use your phrase.

Mr. RATCLIFFE. It was insurance.

Senator CHURCH. Insurance that the company would have a 5-year contract preserving the 45-hour week, and that is in fact what happened, wasn't it? Didn't you have a 5-year contract? Didn't you pursue, over that period of 5 years, an arrangement with your employees whereby you preserved the 45-hour week?

Mr. RATCLIFFE. No, sir. The first contract gave us 22——

Senator CHURCH. The public part of it was 22 months.

Mr. RATCLIFFE. And then the NLRB held us up for 40 weeks, that is about 9 months, and then we negotiated a new contract in 1945—1955—with the rank-and-file committeemen that extended the 45-hour week another almost 24 months, and that was without any help of Mr. Schimmat's agreement, that I knew nothing about, and that never, never came to light.

Senator CHURCH. You already had the 5-year agreement. In effect, you got a 45-hour week over the period of time that was originally contemplated, and provided for under the terms of that agreement.

It seems to me that it is very clear that there were two beneficiaries in this whole arrangement. One of the two beneficiaries was the union, by virtue of the fact that this union was recognized by the company. The union got 10,000 members, which meant roughly half a million dollars a year in additional dues. They got the matter under terms of a union-shop agreement, so that the 10,000 employees either paid those dues or got fired. So, obviously, the union was one beneficiary. The other beneficiary was, obviously, the company, because the company got a very favorable contract, part of which was public and part of which was private insurance, which saved the company a great deal of money.

I think the most shocking part of this whole testimony that I have heard thus far is that the very man who negotiated that private insurance agreement, in behalf of the company, testified before this committee that he did not think it was the obligation of management to disclose the terms of an employment contract covering the employees of the company. Do you agree with that?

Mr. RATCLIFFE. I have not been faced with that problem yet. I don't know. When I come to the bridge, I will have to cross it.

Senator CHURCH. But you don't know now?

Mr. RATCLIFFE. I don't know; no, sir.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. Yes. Going back to this contract, you were aware, were you not, that managers were assisting the union in signing up the employees?

Mr. RATCLIFFE. Personally?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. We have a memorandum here which I would like to have you examine. It appears to be from Mr. Block, who is the assistant to Mr. Zorn, Mr. Lester Block, and he is accounting a conversation with French Ratcliffe. He says:

French Ratcliffe says many managers helped and said "Sign cards," i. e., October 8 and 9.

Did you mention that? Were you aware of that fact? It would appear from this memorandum that you were aware of the fact and made your knowledge known to at least Mr. Lester Block, that the managers had helped and assisted the union in signing up the employees.

French Ratcliffe says many managers helped and signed cards. i. e., October 8 and 9.

Mr. RATCLIFFE. I don't recall any discussion with Lester Block on that, and I don't recall any knowledge. It may have been hearsay and maybe I was quoting it to Lester Block, hearsay. But personally, and that is the reason I specified personally, I knew of no managers or supervisors that were helping get signed cards.

Mr. KENNEDY. I would like to show you the evidence. First there are the affidavits we have here, which are numerous.

The CHAIRMAN. This is Mr. Block's memorandum. Since it has been referred to, I would like for the witness to see it. He may be able to identify it, and perhaps he cannot.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. RATCLIFFE. All I can do is confess ignorance. I am not familiar with it and I have never seen it before.

The CHAIRMAN. That clearly indicates that you had reported to Mr. Block that your managers helped.

Mr. RATCLIFFE. It does not help my memory, Senator.

The CHAIRMAN. It does not help your memory, but that says according to Mr. Block that you reported to him that your managers helped get the cards signed up. That is the purpose of it.

Mr. RATCLIFFE. I have no answer for that. I don't recall any such discussion. If I did, it had to be hearsay, because I had no personal knowledge of any such actions.

The CHAIRMAN. Who would you hear that from? Management or labor? That is, if you heard it.

Mr. RATCLIFFE. Well, not recalling having heard it, I couldn't guess who I would have heard it from.

I imagine if I heard it, I must have heard it from our own people.

(At this point, Senator Ervin entered the hearing room.)

Mr. KENNEDY. As an example of one of these affidavits, from a man:

I was out of the store when Cornelius of 342 came around to sign up employees. This was definitely in the first week of October 1952. When I came in the next day, the bookkeeper, Lillian Leban, said to me "Sign this card." I asked her what it is, and she said "This is for the union." She said I have to fill it out because if I didn't I would have to pay a \$50 fine. So I went to the manager. I said "What in hell is going on here? All these years you are against the union and all of a sudden you send us cards saying to join a union." Stewart, the manager, told me if I did not want to pay \$50, to fill out the card.

There are a number of them here.

Mr. RATCLIFFE. That might have been a personal idea of the manager that we wanted to help him save his job and save \$50.

Mr. KENNEDY. This was prior to the time you signed the contract with the union.

Mr. RATCLIFFE. I said when we let down the bar, some of these managers showed their true colors and some of them exercised their personal feeling of sympathy to labor.

Mr. KENNEDY. Then you have the letter of October 8, when another labor leader states that he had hundreds of telephone calls from employees who said that the managers were coercing the employees to join the union.

We had the testimony from Mr. Bieber who said that he knew that subterfuges were being used to get employees to join the union.

Despite all of this, despite this October 8 letter which came in prior to the time you signed the contract, you made no steps to inform your employees that what was taking place was a card count in which they were selecting the union to represent them.

Mr. RATCLIFFE. I thought I explained that.

Mr. KENNEDY. To me, there is something wrong in not making public the terms of the contract. Certainly it would appear that you also had an equal responsibility to inform the employees, despite the fact that you mentioned that you had an equal responsibility to inform the employees that what was happening here was that a card count was going to take place, and when they signed these cards, they were selecting a bargaining representative, which was not done by the management in this case.

Mr. RATCLIFFE. That is true. For this very simple reason, that we have stockholders to answer to, we have a business to conduct, and if we shut down the business—

Mr. KENNEDY. The only people you were thinking of, then, was that the employees were ignored and you were thinking of your stockholders and management?

Mr. RATCLIFFE. No; I say the employees themselves would have been hurt just as badly or worse had we had a shutdown; everybody seems to be losing sight of the fact that these clerks had four distinct opportunities to throw out the union and they never did do it.

Mr. KENNEDY. I am talking now about the fact of your ability to make it public to these people, that what they were doing was joining a union, getting ready for a card count. This you failed to do. Certainly as management you have responsibility not only to your stockholders but to the employees of the store.

Mr. RATCLIFFE. Maybe we were having a heartfelt consideration of our clerks, because if we kept the stores opened and they continued to work, they were better off than on the streets.

Mr. KENNEDY. You felt that if they knew as little as possible what was going on, it was better for them?

Mr. RATCLIFFE. That is what you say.

Mr. KENNEDY. That is what you said.

Mr. RATCLIFFE. No, I didn't say that. I said it could add up that we were doing as well or better for them, certainly, than closing the stores. They would have been hurt more than the stockholders, so far as that is concerned.

The CHAIRMAN. That adds up to this, that the reason you are saying it would close the stores is that if you told what was done the union would call a strike.

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. Did you believe that?

Mr. RATCLIFFE. At that time I very emphatically believed it, Senator.

The CHAIRMAN. In other words, if you let your own employees know what the union was doing with respect to the kind of contract it was making with you, the union would call a strike.

Mr. RATCLIFFE. We had that definite threat.

The CHAIRMAN. Do you think the employees would have gone out under those conditions, simply because you were trying to tell them what the union was doing, and the contract that you were getting from them?

Mr. RATCLIFFE. Well, Senator, the mere fact that we had no contract with the Butchers, and they represented 25 percent of the store personnel, then it only takes about 10 percent of the people to create a strike in the store.

The CHAIRMAN. We also understand that the Butchers were very unhappy with the contract that was made because it calls for a 45-hour week for 5 years.

Mr. RATCLIFFE. The Butchers negotiated that contract, sir. Why should they be unhappy about it?

The CHAIRMAN. Not the fellow who actually cuts the meat, but the union officials negotiated it without the butchers knowing about it.

Mr. RATCLIFFE. You lost me there, sir.

The CHAIRMAN. The point I am making is you said you would have a strike if you told these employees what was going on.

Mr. RATCLIFFE. That is true.

The CHAIRMAN. Then what was going on was that you were getting a 45-hour week when the butchers had been demanding a 40-hour week. I am talking about the real butchers.

Mr. RATCLIFFE. No, sir, we had already negotiated fairly and squarely a 45-hour week with the Butchers, and we had been sitting with them off and on, all through, maybe as early as July, August, and September. But by the 1st of September, in my own mind I was firmly convinced that we had a 5-year contract, with 45 hours, with the Butchers.

The CHAIRMAN. When was the contract with the Butchers signed?

Mr. RATCLIFFE. October 11, 1952.

The CHAIRMAN. When was the contract with the Clerks signed?

Mr. RATCLIFFE. October 11, 1952.

The CHAIRMAN. You then have as of the time of October 11, 1952, a 45-hour-a-week contract with the Butchers?

Mr. RATCLIFFE. I said we didn't. I said in my mind I firmly believed that.

The CHAIRMAN. Both of you wanted to keep it in your minds and keep it away from the employees.

Mr. RATCLIFFE. No, we didn't want to keep it away from the employees.

The CHAIRMAN. You did. You said the union was going to call a strike if you let them know what was going on.

Mr. RATCLIFFE. We had no choice at that point.

The CHAIRMAN. You said the storm had gotten pretty strong by October 11, that the breeze had turned into a tornado?

Mr. RATCLIFFE. That is right, it got to be a tornado and blew the house off the blocks.

Mr. KENNEDY. When was the card count finished?

Mr. RATCLIFFE. I think late Friday night, October 10.

Mr. KENNEDY. When did you sign the contract?

Mr. RATCLIFFE. Some time Saturday afternoon, October 11.

Mr. KENNEDY. So you signed the contract within 24 hours after the card count?

Mr. RATCLIFFE. That is right.

Mr. KENNEDY. Was the reason that you had to sign the contract so quickly so that other unions would not become aware of the situation and bring proceedings before the NLRB?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. Isn't that one of the points that was examined by Mr. Zorn, as to the rights of another union bringing an action prior to the signing of a contract?

Mr. RATCLIFFE. Well, let's let Mr. Zorn answer that.

Mr. KENNEDY. You have some personal knowledge that that was one of the matters.

Mr. RATCLIFFE. I asked Mr. Zorn to explore it; yes, sir.

Mr. KENNEDY. That was one of the reasons that you signed the contract so quickly, was it not?

Mr. RATCLIFFE. No, sir.

Our demand was that if we had no contract by October 13 there would be no work in the stores.

Mr. KENNEDY. You say that it was the fact that you were getting a 5-year contract, that you were going to get a 45-hour week over a 5-year period, and that you had one union to deal with, and that you could avoid making a contract with local 1500 and the CIO—that those were the reasons that you agreed to keep the negotiations for the contract secret; that you would keep the card count secret, and that you would negotiate and sign a contract the day after the card count? Isn't that correct, the fact that you were getting a good deal out of this?

You were going to get a 5-year contract, a 45-hour week, and 1 union to deal with.

Mr. RATCLIFFE. It was a good contract for both the employees and the company.

Mr. KENNEDY. But isn't that why you—

Mr. RATCLIFFE. It had a bearing on it, but it was not the major factor. The major factor was that we still insisted or hoped to open our stores again on Monday morning.

Mr. KENNEDY. That was really the most important factor that you were getting such a good contract, and that was the reason you kept it secret from your employees, the card count.

That is the reason there is evidence that you coerced the employees into the union. That is the reason, because you got a good deal out of it.

Mr. RATCLIFFE. It is not the reason, and we didn't keep it secret from them. We just didn't tell them. But that is not keeping it

secret. I can explain that. It might sound a little silly. The mere fact was that it was the union's responsibility to tell these people. I still insist that a majority of our people are intelligent enough to know what they were signing; the fact that the butchers had been parading in through our stores, the butchers in our own stores had been parading through our stores, getting the grocery clerks to sign up, and they were waiving the \$5 across the board increase to the grocery clerks. I think that was the major factor in these people signing the cards. All they had to do was to read the card and realize that when they signed that, they were in the union.

Mr. KENNEDY. I don't see that. I will read the card. "In accordance with my legal rights, guaranteed by the National and State Labor Relations Act," and I don't know what that means. Do you know what that means?

Mr. RATCLIFFE. We will get their—

Mr. KENNEDY. You say the clerks know what it means. I don't know what it means.

Mr. RATCLIFFE. You don't. I will ask the clerk for you, sir.

Mr. KENNEDY. Do you know what it means? "In accordance with my legal rights, guaranteed by the National and State Labor Relations Act." Do you know what that act provides?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. How do you expect it of a clerk?

I hereby designate the Joint Chain Store Organizing Committee of Local 400 and Local 489, A. F. of L.

Do you know what that is, the joint chainstore organizing committee?

Mr. RATCLIFFE. That means that they are signing up for 400 to represent them.

Mr. KENNEDY. What is "I hereby designate the Joint Chain Store Organizing Committee of Local 400"?

Mr. Ratcliffe, what is the joint chain—

Mr. KENNEDY. They authorize the joint chain—

Mr. KENNEDY. What is that?

Mr. RATCLIFFE. Could I look at it?

Mr. KENNEDY. I will go on. You say a clerk can understand what this means. "As my agent for collective bargaining." Does that mean he is in the union?

Mr. RATCLIFFE. That is clear.

Mr. KENNEDY. What does that mean, that he is in the union?

Mr. RATCLIFFE. That means he is in the union; yes, sir. Don't you think?

Mr. KENNEDY. That he is in the union once he signs this?

Mr. RATCLIFFE. Yes, sir, that is my understanding. I believe that. And I believe that most of the clerks realized that at the time.

Mr. KENNEDY. That is not what it means.

Mr. RATCLIFFE. It is not what it means?

Mr. KENNEDY. No.

Mr. RATCLIFFE. I believe they took it to mean that.

Mr. KENNEDY. Do you want to look at it?

(The document was handed to the witness.)

Senator ERVIN. Would the law permit anyone to be a bargaining agent for them until they had a majority of the employees signed up?

Mr. RATCLIFFE. Are you asking me that, Senator?

Senator ERVIN. Yes.

Mr. RATCLIFFE. No. That was what the whole discussion was about, because Mr. Block claimed that he had a majority of these clerks signed up. All summer long I did not believe that he did, and I tried my best to stay away from it until he convinced me with a lot of pressure and threats of a strike did we ever take it seriously, and when we did come down to a card count by an impartial third party and the results of the card count, as per our agreement early in October, it was that if they had a majority we would recognize them and negotiate a contract and sign the thing up and continue with the stores operating on Monday, October 13.

Senator ERVIN. What time on the 10th of October was it that they completed the card count and ascertained that they had a majority of the signatures?

Mr. RATCLIFFE. I would guess it was 9 or 10 o'clock at night, sir.

Senator ERVIN. 9 or 10 p. m.?

Mr. RATCLIFFE. Sir?

Senator ERVIN. 9 or 10 p. m.?

Mr. RATCLIFFE. Yes, sir.

Senator ERVIN. When was the contract signed on the following day?

(At this point, Senator Church withdrew from the hearing room.)

Mr. RATCLIFFE. To the best of my recollection, it was along about 4 or 5 o'clock Saturday afternoon. But we were in Mr. Charlie Schimmat's office from 10 o'clock in the morning, with all the union officials and the attorneys from both the company and the union, and Mr. Schimmat and myself. We were negotiating firmly and fast to conclude the contract and get a signature on it so that the stores would open on Monday morning.

Senator ERVIN. When was the contract actually reduced to writing?

Mr. RATCLIFFE. It was reduced to writing right there on the scene for the simple reason that we converted the predrafted butcher contracts into contracts covering the grocery clerks. I might add, Senator, that to my knowledge, or to my information, those contracts were later ratified by the rank and file. They accepted the \$5, but they threw out the welfare package.

Senator ERVIN. The contract was signed. You had been negotiating with the representatives of the Meat Cutters for how long?

Mr. RATCLIFFE. Two or three months.

Senator ERVIN. And—

Mr. RATCLIFFE. I will take that back, Senator. I think that we had fairly well completed our meat contract negotiations about, I would say, the end of August or early September. That is when I first drafted the contract, as I understood it. Of course, I had to circulate it around to the unit heads and to the top management, to the lawyers and everybody else interested, and I finally got what I thought was a final draft of a 5-year contract with 45 hours with the butchers dated October 6, 1952, to run 5 years.

Senator ERVIN. There was no reason for Negotiations to go on after the 30th of August, then, with the butchers?

Mr. RATCLIFFE. That is true.

Senator ERVIN. Did you have negotiations between that time and 9 or 10 o'clock—

Mr. RATCLIFFE. We had many meetings and a lot of conversations, yes, sir.

Senator ERVIN. You had meetings with people who were not authorized under the law to do negotiations, didn't you?

Mr. RATCLIFFE. No, sir. The implied threat was that I was trying to get this Butcher contract signed and I was getting no place fast. Instead of discussing the signing of the Butcher contract or even finding any fault with the drafts, the discussion was generally about recognizing the Grocery Clerks, because the Amalgamated claimed that they had a majority of the cards signed.

Senator ERVIN. You just told me a moment ago that on the 30th of August you agreed on the final terms of the Butchers' contract.

Mr. RATCLIFFE. No, I never said on the 3d of August.

Senator ERVIN. The 30th.

Mr. RATCLIFFE. I am guessing. I said by early September, as I recall it, we had finished what I thought was the final negotiation of the Butchers' contract, at which time I sat down and drew a draft, as I understood the terms, and as I thought I had a contract. But it turned out that I did not have a contract then, and on the final date of October 11, I still didn't have a contract for 5 years.

Senator ERVIN. You had all the terms agreed on the 30th, you told me.

Mr. RATCLIFFE. We discussed them. Until you get a signature on the line, you are still negotiating, Senator.

Senator ERVIN. That has not been my experience. I think when you have the terms—you told me positively that you had agreed on the contract with the Butchers on the 30th of August, and that there was no occasion for you to do any further negotiations with them after that. Do you want to change that statement? If I have stated the facts wrong, it is all right to change it, but that is what I understood you to say.

Mr. RATCLIFFE. I didn't intend to say that, if I said it. I don't think you understood me correctly. I said I felt that we had concluded our negotiations with the Butchers by early September; however, as it turned out, we still continued to have meetings and I would submit this draft of what I thought contained all the terms of our negotiated contract for the Butchers, but I could not get it signed. Until you have a signed contract, you are still negotiating.

Senator ERVIN. The Butchers told you that they would not sign the contract until you delivered the clerks to them, is that right?

Mr. RATCLIFFE. That is right.

Senator ERVIN. So you proceeded to deliver the clerks. In order to encourage delivery, some of your managers told them if they didn't join before the union had a majority, the union would have to pay \$50 in addition, didn't they?

Mr. RATCLIFFE. I don't know that.

Senator ERVIN. When did you first hear that the statement had been made to some of the employees that they would have to pay \$50 additional in the way of a fine or in the way of an increased initiation fee if they didn't sign up before the union was recognized?

Mr. RATCLIFFE. When did I first hear of it, sir?

Senator ERVIN. Yes.

Mr. RATCLIFFE. I haven't any idea. It may have been at this meeting. I don't remember any discussions like that. But what I wanted

to say before in answer to your query is these managers, if it looks like they were coercing the clerks, they could have just as well been trying to be helpful, and it was their own overzealousness to maybe maintain their own store personnel or to look out for their clerk friends to make sure that they didn't get burned.

Senator ERVIN. My experience, observation and hearsay about managers of stores shows that they are carrying out the wishes of those above them.

Mr. RATCLIFFE. That is generally very true, sir.

Senator ERVIN. Who was it that promised to give a \$5 increase across the board if the union came in?

Mr. RATCLIFFE. That was negotiated with the Butchers' negotiating committee.

Senator ERVIN. That was negotiating with the Butchers' negotiating committee before the clerks could agree to come in?

Mr. RATCLIFFE. That is true.

Senator ERVIN. So you not only had coercion but had something in the nature of a bribe, also? They promised them if they would sign up with the union they would get \$5 more across the board.

(The witness conferred with his counsel.)

Mr. RATCLIFFE. I would like to correct that, Senator. I wondered if you misunderstood me or did I misunderstand you.

Senator ERVIN. I understood you to say that you agreed with the negotiations committee of the Butchers that if the Clerks would come in and sign up, there would be a \$5 increase across the board.

Mr. RATCLIFFE. No, sir; that was not the agreement. That is what I was afraid of. We had practically concluded the negotiations with the Butcher committee, which included a \$5 increase for the Butchers. We were virtually finished with all of the crossing of t's and dotting of i's, and I drew up a draft of what I understood had been concluded as a Butcher contract. I kept submitting that all through the month of September for a signature. I did not get the signature.

Senator ERVIN. The reason I was asking about the \$5 was because you volunteered the statement a moment ago that the reason you thought the clerks were willing to sign the cards was because they thought they would get the \$5 increase across the board.

Mr. RATCLIFFE. I still think a lot of them signed it for the \$5, for the simple reason, Senator, that later on the clerks still accepted the \$5, but they rejected the welfare plan.

Senator ERVIN. What period of time was the \$5 for?

Mr. RATCLIFFE. That was for 22 months.

Senator ERVIN. A \$5 increase of pay for what period?

Mr. RATCLIFFE. \$5 a week?

Senator ERVIN. \$5 a week?

Mr. RATCLIFFE. \$5 a week over their base salary, plus overtime.

Senator ERVIN. So you are of the opinion that the clerks signed up the cards because of the assurance that they were going to get \$5 a week more pay?

Mr. RATCLIFFE. Yes, sir.

Senator ERVIN. Who was giving them that assurance before they signed the cards?

Mr. RATCLIFFE. That was a negotiated agreement. The negotiating committee had the right to speak for all of the butchers in our stores.

Senator ERVIN. The negotiating committee was not only, apparently, speaking for the Butchers, for whom it was authorized to speak, but it was also speaking for the Clerks, for whom it was not authorized to speak.

Mr. RATCLIFFE. That is not apparent, sir, because they were only speaking for themselves. They were not speaking for the Clerks. Mr. Block made it plain that not until he had evidence of the Clerks indicating their preference for his representation would we negotiate the Clerks' contract.

Senator ERVIN. But if the clerks signed the card to join the union, with the promise of the \$5, somebody was promising the \$5 before the negotiating committee was authorized to act for the clerks. Who was doing that?

Mr. RATCLIFFE. The union, so far as I know, the union organizers and the shop stewards.

Senator ERVIN. The union organizers started by telling the clerks that if they signed the cards they would get a \$5 increase across the board. Why didn't the company come out and tell its employees who were signing this statement, that the union was not fixing the wages that the A. & P. Tea Co. was going to pay the clerks?

Mr. RATCLIFFE. At that time we did not know about the promises. It was all one of those things where this is something that we have since learned. That was the promises that got the grocery clerks to sign the cards, or some of them.

Senator ERVIN. So while negotiations were going on, you tell me that A. & P. Tea Co. officials were totally ignorant of the fact that the Clerks were being promised a \$5 increase by the Butchers, that you were totally willing to sign up the Clerks to the Butchers?

Mr. RATCLIFFE. Not totally. Some of them were ignorant of the fact, but some of them, I am sure, were actively participating, but all of our managers and all of our supervisors, they all took their own individual part in this whole thing.

Senator ERVIN. Also, I notice here that both contracts, the one for the Butchers and the one for the Clerks were both signed by the same man.

Mr. RATCLIFFE. That is true. For the company or for the union?

Senator ERVIN. I am talking about for the union.

Mr. RATCLIFFE. For the union? Well, that would be true, because the contract was extended to cover the grocery clerks in the case of the Bronx stores by local 400 and Mr. Prosto, the president, executed both the Butcher and grocery contract.

Senator ERVIN. And it took about 3 or 4 months for him to negotiate a contract with the Butchers and apparently about 3 or 4 hours to negotiate one for the Clerks?

Mr. RATCLIFFE. No, sir; that is not the case.

Senator ERVIN. He had no authority, did he, to negotiate a contract with the Clerks until the card count was completed, and that was 10 o'clock the night before he signed the contract.

Mr. RATCLIFFE. But the spadework was being done all summer, and the net was being woven around, and when they lowered the boom, they cracked us on the head.

Senator ERVIN. I don't think there is any question but what the net was being woven around. In other words, the evidence convinces

me that the company and the union were both weaving the net around the Clerks, and they were negotiating about what the Clerks would get before they had any authority, before anybody had any authority, to negotiate with the Clerks.

How did the \$5 increase that the clerks were to get compare with the initiations and fees that they would pay to the union?

Mr. RATCLIFFE. I don't know.

Senator ERVIN. Do you know if it is more or less?

Mr. RATCLIFFE. I am sure that the initiation fees are more than \$5.

Senator ERVIN. Didn't you have enough curiosity?

Mr. RATCLIFFE. That was none of my business, Senator. I stay on my side of the fence. When I cross over and get inquisitive in the union's side, they tell me very vulgarly and emphatically where to go.

Sentor ERVIN. Well, you know, I have so much curiosity I inquire about a lot of things that are maybe none of my business. But I would think I would at least be interested as a representative of the employees whether they were going to get more by the payment of the wage increase or less by the payment of the dues and the initiation fees. They say that curiosity killed the cat, but apparently you have no curiosity about that at all.

Mr. RATCLIFFE. Well, I am just human.

Senator CURTIS. We understand the terms of the contract as it related to the people in the meat department were extended to the clerks after this card count was completed, is that what happened?

Mr. RATCLIFFE. That is true, sir.

Senator CURTIS. So your negotiations as to what the terms should be were carried on in reference to the people in the meat department?

Mr. RATCLIFFE. That is exactly true, sir.

Senator CURTIS. They had been organized since 1946, I believe you said?

Mr. RATCLIFFE. In the Bronx they had been organized since 1946 and in Brooklyn since 1950 and in Garden City in 1949 or 1950. I would say both Brooklyn and Garden City were 1950.

Senator CURTIS. During the years immediately prior to 1952, how many hours did the individuals in the meat department work under their contract?

Mr. RATCLIFFE. In our stores?—45 hours, sir.

Senator CURTIS. The terms arrived at for those in the meat department in the contract that was extended for 22 months, what did they provide relative to the hours to be worked? How many hours?

Mr. RATCLIFFE. 45, sir.

Senator CURTIS. What was the situation with respect to your major competitors during the years immediately prior to 1952 and the years following, during that 22-month period, in reference to the number of hours worked?

Mr. RATCLIFFE. Prior to 1952, no one was less than 45. Some were more than 45.

Senator CURTIS. What ones were more, do you know?

Mr. RATCLIFFE. Off hand, I don't know.

Senator CURTIS. How did A. & P. compare in their number of hours required under a contract during this period covered by the 22-month contract? How did you compare with your major competitors then?

Mr. RATCLIFFE. With the butchers or with the grocery clerks, sir? Well, by that time I would say that the butchers were fairly uniform, and the grocery clerks some had, 54—in 1500, Mr. Kennedy—some stores had 54 hours, and some had 49, I believe, and none had less than 45.

Senator CURTIS. Who are you classifying as your major competitors?

Mr. RATCLIFFE. Well, in the case of Bohack, Food Fair, the major chainstores in the metropolitan New York area, sir.

Senator CURTIS. They all had 45 hours?

Mr. RATCLIFFE. Or better.

Senator CURTIS. By better, you mean more hours?

Mr. RATCLIFFE. They had more, or they had a 45 hour on a stagger.

Senator CURTIS. You would say that was true throughout the period of the 22 months?

Mr. RATCLIFFE. Yes. Well, I have one exception, sir. During the period of our 22 months, the Safeway stores went on a 40-hour stagger, and a stagger means that they pay overtime after 40 hours and they can work them at different hours, bring them in at 8 o'clock one morning, and 11 o'clock the next morning, or they can work them short days and long days.

Senator CURTIS. At the end of this 22-month contract, when you were negotiating again, at any time during those negotiations did either management or the union bring up and discuss the supplemental contract which you have described as a private contract?

Mr. RATCLIFFE. Sir, I don't describe it as a private contract. I knew nothing about it, and it was not mentioned to my knowledge.

Senator CURTIS. Was it discussed in the negotiations that followed your 22-month period?

Mr. RATCLIFFE. Not at all, no, sir. Positively not.

Senator CURTIS. Did at any time management for A. & P. say to the union "You must extend this 45-hour provision because you have already made a contract with this gentleman about it?"

Mr. RATCLIFFE. No, sir. If you will bear with me a minute, I would like to explain a little further that we were resigned to lose the 45-hour week in our negotiations in June of 1955, and I offered the rank-and-file committee the Safeway 40-hour stagger. They rejected it emphatically, and without Mr. Block's participation in the discussion. It was the rank-and-file members.

Senator CURTIS. Yes; I understood you to say that earlier. There is talk here that there was a supplemental agreement of some kind. What was the gentleman's name?

Mr. RATCLIFFE. Mr. Schimmat.

Senator CURTIS. Talk that this 45-hour provision would be good for 5 years.

If it was, why didn't management go to the negotiation table at the end of 22 months and say "Here, that issue is settled because you have agreed to it?"

Mr. RATCLIFFE. Simply, sir—it is partly conjectural on my part because I never had the slightest inkling of the agreement, as I say. The mere fact is that according to Mr. Schimmat's testimony, he was asked to keep it secret, and he was just holding it as insurance, and as long as it wasn't needed he said he later tore it up and forgot all

about it. But it was never used, because in our 1955 negotiations that is one of the first things that was eliminated from the many demands that 107 negotiating committeemen can ask.

Senator CURTIS. You say that A. & P. management at that time offered a 40-hour week on a staggered basis similar to what Safeway was going?

Mr. RATCLIFFE. Yes, sir.

Senator CURTIS. And that was rejected?

Mr. RATCLIFFE. Emphatically by the rank and file committeemen, not the union. The union officials did not even have a voice in it.

Senator CURTIS. So did either party rely and seek to put into effect this supplemental agreement?

Mr. RATCLIFFE. No, sir, that never came to light at all. I only learned about it—

Senator CURTIS. I understand you just learned about it. But did the company rely on it and seek to put it into effect, to your knowledge?

Mr. RATCLIFFE. Positively not.

Senator CURTIS. You had a delay, then, because of NLRB rulings, didn't you?

Mr. RATCLIFFE. Litigation and clarifying a lot of technical points.

Senator CURTIS. Then you entered into your contract running 24 months; is that right?

Mr. RATCLIFFE. Well, a little less than 24 months was what we negotiated over the table.

Senator CURTIS. Was it nearer 24 months than 23 months?

Mr. RATCLIFFE. I believe it was, sir.

Senator CURTIS. Well, we wouldn't quibble about that.

Mr. RATCLIFFE. I would say we concluded about the middle of June 1955, and it ran to the middle of May 1957.

Senator CURTIS. How many hours a week did that call for?

Mr. RATCLIFFE. 45 hours.

Senator CURTIS. When did that expire?

Mr. RATCLIFFE. May 24, 1957.

Senator CURTIS. It began approximately 2 years before?

Mr. RATCLIFFE. Yes, sir, it began in June 1955.

Senator CURTIS. Now, during the period of May 1955 to May 1957, roughly the period covered by this contract, what kind of contracts did your major competitors have as it relates to the hours per week to be worked?

Mr. RATCLIFFE. Well, Safeway went on the 40-hour week with a stagger, I believe, in 1953.

Senator CURTIS. I am talking about from 1955 to 1956.

Mr. RATCLIFFE. And they stayed on the 40-hour week with a stagger and they are still on it. No other competitors went below 45 hours until after May 24, 1957, except American Stores, who also adopted the 40-hour week with a stagger in the interim period and I don't remember just when. I would guess 1956.

Senator CURTIS. I am not familiar with who are the major markets, and I want to know the names of the companies during the period May 1955, approximately, to approximately May 1957, who were on a 45-hour week, your major competitors.

Mr. RATCLIFFE. Our major competitors on the 45-hour week, between May or June of 1955 to May of 1957, were Bohack and Gristede.

Senator CURTIS. Who are they, and how many stores do they have—not exactly, but how big are they?

Mr. RATCLIFFE. Well, it is a sizable chain in Brooklyn, and I would say—Bohack is a sizable chain in Brooklyn, and I would say they have 80 to 100 stores or maybe more. They have some large stores and then they have some small stores. Gristede is not as large, but they cover Manhattan and the Bronx.

Senator CURTIS. How many stores would you guess they have?

Mr. RATCLIFFE. I would guess they have close to 100 stores, but they don't have too many large stores.

Senator CURTIS. Who are some of your other major competitors?

Mr. RATCLIFFE. Safeway is another.

Senator CURTIS. You have already eliminated them, because they were on the 40-hour week staggered, and I mean that had the 45-hour week.

Mr. RATCLIFFE. The next I would name is Grand Union, and they are out on Long Island, and they have some stores in Brooklyn and not too many, and they have stores in the Bronx, Manhattan, and they are now developing up into Westchester, and they are very heavily covered over in New Jersey.

Senator CURTIS. Now, in this period we are talking about, May 1955 to May 1957, about how many stores would you say they had in the New York area?

Mr. RATCLIFFE. That were on the 45-hour week?

Senator CURTIS. This Grand Union Co., I mean.

Mr. RATCLIFFE. Well, they have a lot, sir, but I would guess—

Senator CURTIS. Would it be 25?

Mr. RATCLIFFE. It is over 100.

Senator CURTIS. Now, any other competitors?

Mr. RATCLIFFE. The next would be Food Fair, a very formidable competitor, with several very large stores.

Senator CURTIS. Do you know how many hours were provided in Food Fair's contract in the period roughly from May 1955 to May of 1957?

Mr. RATCLIFFE. Sir, their meat contract was a 45-hour week, and their grocery contract was a 45-hour week with a stagger.

Senator CURTIS. 45-hour week with a stagger?

Mr. RATCLIFFE. For their groceries.

Senator CURTIS. But the minimum was 45 hours?

Mr. RATCLIFFE. They had a 45-hour week, but actually the difference between a stagger is a 9-hour day as against a 45-hour week. A straight 45-hour week, the company pays overtime after 9 hours each day, and in the 45-hour week with a stagger, you pay overtime after 45 hours, and accumulate it as a week.

Senator CURTIS. Were there any other major competitors who were on a 45-hour week or more during 1955?

Mr. RATCLIFFE. The First National is another competitor that is in Westchester and in the Bronx, and they are moving out into Long Island, and they have some beautiful stores, and they are a competitor.

Senator CURTIS. What is their name?

Mr. RATCLIFFE. First National Stores. Their contract just follows ours.

Senator CURTIS. Their contract follows yours?

Mr. RATCLIFFE. Yes, sir; in a period of a month or 2 or 3 months.

Senator CURTIS. Are there any more?

Mr. RATCLIFFE. Well, let me see. There is Grand Union, and Food Fair, and there are a lot more, but I am only giving you the large ones. American Stores, now, I explained, I believe, in 1956 they went from the 45-hour week to a 40-hour week to a 40-hour week with the stagger.

Senator CURTIS. Now, from your position as industrial manager or whatever it is there, you come into knowledge as to what other stores provide in their contracts generally, do you, so you know these things to be a fact?

Mr. RATCLIFFE. Oh, yes.

Senator CURTIS. And what might be described as major food chains during this last period in question, May 1955 roughly to 1957, the only stores that had less than a 40-hour week were Safeway with a 40-hour staggered week, and American Stores in the period went to 40 with a stagger?

Mr. RATCLIFFE. That is true. We were the first to go onto the straight 40-hour week—the first in the industry.

Senator CURTIS. Do you agree or disagree, and I might preface this because there are a lot of things about this that I do not like from the opposition of this union—but do you agree or disagree as to whether or not A. & P. got an advantage over their competitors so far as hours per week to be worked, out of this contract, this whole period?

Mr. RATCLIFFE. I do not agree to that. There was not an advantage for the A. & P.

Senator CURTIS. That is all.

Mr. KENNEDY. I have just a few questions, Mr. Chairman.

Who was your main competitor in New York? Is it Safeway?

Mr. RATCLIFFE. No, sir; we don't have any main competitor. We are competitors against the rest of them.

Mr. KENNEDY. I am sure everybody is in that position.

Mr. RATCLIFFE. Only in metropolitan New York.

Mr. KENNEDY. Where is Safeway operating?

Mr. RATCLIFFE. Safeway is principally in the Bronx and Manhattan. They took over the old Daniel Reeve's Stores, and bought up National and some others. Then they give us some competition out in New Jersey.

Mr. KENNEDY. Certainly at the time this contract was signed, according to your own survey, and the surveys from what we have seen of the memos that came from your files, it appeared to A. & P. Co. that this would be a great loss to them if they went to a 40-hour week.

Now, according to your own records—and Mr. Doyle, he knows the answer—according to your own records it ranges from \$12 million to \$60 million?

Mr. RATCLIFFE. Those are not my records.

Mr. KENNEDY. According to A. & P.'s record?

Mr. RATCLIFFE. No; that is not true either, sir.

Mr. KENNEDY. Whenever you don't like something, you say it is not the A. & P.

Mr. RATCLIFFE. Well, he says it without the proper voice, and the fact that you are reading something that someone without authority

said, that was a statement that was certainly not part of management's—it was not shown to management, and——

Mr. KENNEDY. All I know he is personnel manager in Paterson, N. J., and these aren't figures that the committee had. This is a figure from the personnel manager of A. & P. Co.

Mr. RATCLIFFE. That is unfortunate, because it is no good.

Mr. KENNEDY. You don't like it but it is there.

Senator CURTIS. May I ask something here, Mr. Counsel? Is this statement that there was \$10 million or \$12 million advantage——

Mr. KENNEDY. Per year.

Senator CURTIS. Per year. Is that comparing with competitors or is that comparing with what they had or the contract terms they had up to that time?

Mr. KENNEDY. This is the situation. It says "the 40-hour reduction gave us quite a jolt." It would cost actually \$12 million a year, and the adjustment would be in next year. We have another memorandum here from the A. & P., also, in which he quotes again Mr. Vanlynten in a conversation that he had with Mr. Ratcliffe, in which he points out that for a 5-year period, it would cost \$7 per person per week, for a 40-hour week, which figures out to \$23 million.

Senator CURTIS. But what I want to know is this: Whether or not that is what it would cost compared to what it had been costing that particular store, or whether it is comparing an advantage gained compared to their competitors. I think that there is a vast difference.

Mr. KENNEDY. This is how much money it would cost them to go to a 40-hour week, and this is how much the A. & P. Co. based on these figures would lose if they went to a 40-hour week.

Senator CURTIS. Is there any allegation of any witness that by what happened A. & P. got a \$10 million or \$12 million advantage over their major competitors?

Mr. KENNEDY. According to these records, all I can say is that they got a contract, keeping a 45-hour week, and according to their own figures, that saved them, on the contracts, some \$12 million a year.

Senator CURTIS. If the union had demanded a 20-hour week, it would have cost them many millions more than that. That does not prove anything.

Mr. KENNEDY. That is what I am bringing out.

Mr. RATCLIFFE. Can I get into this discussion, too? The \$12 million figure is plainly a figure of Mr. Vanlynten's imagination. You have or Mr. May picked up a record from our files that showed, and I am drawing on my memory because I had to go back and look at it only recently, and since you asked me at the last interview, the cost of this reduction in the hours would cost the A. & P. approximately \$36,000 a week, for straight time, and roughly \$6,000 for overtime, or a total of \$42,000 a week, or \$2,084,000 a year. But now then that is not a savings over what our competitors are doing, because certainly if we go into a 40-hour week, as was shown in 1957, every time we go into a new workweek then if we are all in the same union, the union has got to deliver about the same kind of contract.

Senator CURTIS. Are you all in the 40-hour workweek now?

Mr. RATCLIFFE. All except Safeway and American Stores, who are still on a 40-hour week with a stagger.

Mr. KENNEDY. That, of course, is just the point, that the situation, this continuing the 45-hour week with the A. & P., cost every other employee, except the employees of Safeway, the right to go to a 40-hour week, because of the fact that after they prolonged the 45-hour week for you in 1955, they couldn't then go to one of your competitors and say, "You are going to have to take a 40-hour week."

What A. & P. did with this secret agreement was costing every employee in the major food chains in New York the right to a 40-hour week, because the union could not go to them and say that "We are going to give you a 40-hour week," when you say and testify that the union was not interested in going to a 40-hour week.

We had sworn testimony by Mr. Reape that he went all the way out to Chicago to meet with Mr. Gorman, and said "We want to go to a 40-hour week, and Mr. Block is opposing us, and we understood that there is a secret agreement."

Mr. RATCLIFFE. If he understood there was a secret agreement, then there wasn't any.

Mr. KENNEDY. What do you mean by that?

Mr. RATCLIFFE. It was no longer secret, when somebody else knows it.

Mr. KENNEDY. That is how much they wanted to go to a 40-hour week, and that is what it has cost everybody, all of the clerks in the New York area.

Mr. RATCLIFFE. Look what the customers profited by it.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. You had a card count in 1956; did you not?

Mr. RATCLIFFE. In 1956, for the part-time clerks.

Mr. KENNEDY. And did you ask the union at that time to go to the National Labor Relations Board?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. It wasn't necessary at that time?

Mr. RATCLIFFE. It wasn't necessary.

(At this point the following members were present: Senators McClellan, Ervin, and Curtis.)

Mr. KENNEDY. They did not threaten to strike at that time?

Mr. RATCLIFFE. No, sir; we were quite sure that there was a majority of the part timers signed up.

Mr. KENNEDY. So there was no statement that they should go to a National Labor Relations Board, nor did they make an effort to strike?

Mr. RATCLIFFE. That is true.

Mr. KENNEDY. They never said they were going to strike?

Mr. RATCLIFFE. No.

Mr. KENNEDY. Did they say that they were going to exert economic sanctions against you?

Mr. RATCLIFFE. I don't remember any threats at all, sir.

Mr. KENNEDY. This is a memo of April 17, 1956.

The CHAIRMAN. I hand you a memorandum, apparently from you, dated April 17, 1956. I ask you to examine it and state if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. KENNEDY. As I understand, without going into detail, what you ask for there is a telegram from them; is that right?

Mr. DOYLE. We agreed that upon receipt of a telegram so stating, Mr. Lichtenstein would contact Mr. Cohen and arrange for an impartial third party to verify the card situation. He identifies the signature.

The CHAIRMAN. Do you want that printed in the record?

Mr. KENNEDY. Just an exhibit.

The CHAIRMAN. That will be exhibit 8.

(The document referred to was marked "Exhibit No. 8" for reference and will be found in the appendix on p. 11549.)

The CHAIRMAN. I hand you a telegram dated April 13, the year not being indicated, addressed to you from Mr. Arnold Cohen, attorney. It may be examined for purposes of identification.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify that telegram?

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. That may be exhibit No. 9.

(The document referred to was marked "Exhibit No. 9" for reference and will be found in the appendix on p. 11550.)

Mr. KENNEDY. This says:

based upon the majority representation, the unions' recognition is being made for bargaining, and then kindly arrange with representatives of Local unions.

You worked out a stipulation?

Mr. RATCLIFFE. Yes, sir. Well, we didn't work out a new stipulation. We used the same stipulation that had been used some 5 or 6 or 7 times.

Mr. KENNEDY. This stipulation is signed by you. In view of the testimony you have given, I want you to listen very carefully. It states, in paragraph 4:

Whereas the company then advised the union that such recognition would be granted only if the union substantiated its claim of majority representation by a certification from the National Labor Relations Board.

That is untrue; is it not?

Whereas the company then advised the union that such recognition would be granted only if the union substantiated its claims of majority representation by a certification from the National Labor Relations Board.

Actually, you never did such a thing; did you?

Mr. RATCLIFFE. No, sir; we did not.

Mr. KENNEDY. So that statement in the stipulation is incorrect?

Mr. RATCLIFFE. Yes; but I can't understand how it got there.

Mr. KENNEDY. It is signed by you. And then in the next paragraph:

Whereas the union then notified the company that it would not obtain such board certification because of the delays involved but would demonstrate its majority representation by a membership card count before an impartial party.

That is untrue also; is it not?

Mr. RATCLIFFE. Pardon?

Mr. KENNEDY. That is untrue also; is it not?

Mr. RATCLIFFE. That is not untrue.

Mr. KENNEDY. Where did the union ever notify the company that it would demonstrate its majority representation by a membership card count before any impartial party?

Mr. RATCLIFFE. This will take a little explaining. When I was first caught cold on this subject, I was told that Mr. Murphy, the impartial card counter, had only evidence of a list of printed names. That is true—

Mr. KENNEDY. That has nothing to do with this point.

Mr. RATCLIFFE. It doesn't?

Mr. KENNEDY. No.

Mr. RATCLIFFE. All right.

Mr. KENNEDY. The first paragraph you admit is incorrect. The next paragraph that I am reading you is:

The union then notified the company that it would not obtain such board certification because of the delays involved but would demonstrate its majority representation by a membership card count before any impartial party.

There doesn't seem to be any evidence that that statement was ever made by the union to the company. These are the stipulations, which is a very important document.

We find these statements that do not seem to be supported by the record. Here is another one:

Upon tallying the signed membership cards of the employees of the above-mentioned three units, and comparing such cards with the company's payroll for such units, and the employees' signatures thereon, the arbitrator shall immediately certify the result of the card count on the form annexed thereto.

Did you ever send in signatures of the employees so they could be compared?

Mr. RATCLIFFE. Yes, sir; I do.

Mr. KENNEDY. Were they compared?

Mr. RATCLIFFE. Were they compared?

Mr. KENNEDY. Yes.

Mr. RATCLIFFE. Mr. Murphy will have to answer that.

Mr. KENNEDY. Do you know as a matter of fact that they were not compared?

Mr. RATCLIFFE. I have every reason to believe they were compared, because after searching my records and investigating this thing—and I am not changing my testimony, but I am correcting a misstatement for the simple reason that I was told by the investigating committee that Mr. Murphy had checked only printed names. The printed names was his copy of the list supporting the signed time-sheets that I turned over to Mr. Murphy. He was supposed to do it in 2 days, and when I called him, he said he had completed his count, but he had not gotten it notarized. But he promised to have it the next morning. I personally went up to pick up my timecards, because I was anxious to get them back in our files. And I picked up my duplicate copy of the alphabetical lists supporting these cards.

Mr. KENNEDY. Wasn't a typed list furnished to Mr. Murphy?

Mr. RATCLIFFE. Two typed lists.

Mr. KENNEDY. How was he to compare the signatures of two typed lists?

Mr. RATCLIFFE. By the supporting timecards. That was what I took up to him and that is what I went back and picked up myself.

We cannot leave the cards with Mr. Murphy any more than we could have left them with Mr. White, Mr. Lessing, or Mr. O'Grady, or any of the other third-party arbitrators that affected card counts. It was a lapse of memory, and you caught me cold on this thing, or Mr. May caught me cold, whenever we first discussed it. But I have since searched the records and I know positively that is what happened.

Mr. KENNEDY. That you furnished the cards with the signatures?

Mr. RATCLIFFE. Yes, sir.

Mr. KENNEDY. Can you explain, then, why two of these paragraphs are incorrect in this stipulation as to what facts occurred? Can you explain that?

Mr. RATCLIFFE. May I see it?

Mr. KENNEDY. I have already read them to you.

Mr. DOYLE. If you bear with me, Mr. Kennedy, I think I can save time.

(The witness conferred with his counsel.)

Mr. DOYLE. Mr. Ratcliffe just tells me that those two facts are true, that the company did ask them to go into NLRB, that the union refused; and that they said—

Mr. KENNEDY. That is what he is telling you.

Mr. DOYLE. I was trusting my memory, and you were reading something that I have gotten very hazy on.

Mr. KENNEDY. I asked you several times to make sure your testimony was accurate in view of the information that we had. You testified very clearly that you did not tell them to go to the National Labor Relations Board. I show you this stipulation, which is an important document, which sets forth facts which appear to be in contradiction of the testimony you have given before the committee.

Also, your memorandum of April 17, 1956, indicates differently, that you never told them to go to the National Labor Relations Board. It says, "We agree that upon receipt of a telegram." The only point is that in this stipulation, where the facts appear to be incorrect, and the company participating, it casts even more shadows on the agreement that was made back in 1952, and the relationship that has existed between the Amalgamated Meat Cutters and the A. & P. Co.

Mr. DOYLE. Would you permit Mr. Ratcliffe to explain in his own language, not the language of the stipulation, what his recollection of the facts were prior to his executing the stipulation?

Mr. KENNEDY. I asked him the pertinent questions. He had a chance to make any statement at that time. I don't want to be unfair about it. If there is something further that bears on this particular point, as to whether he told them to go to the National Labor Relations Board—well, do you want to change your testimony?

Mr. RATCLIFFE. I cannot recall going to the National Labor Relations Board. But when you read this—and I have not seen this in a long time, and I am hazy about it, the same as I was hazy about the whole thing when Mr. Murphy led us down a blind alley by forgetting that I had delivered these timesheets to him. But after checking with the various people that supplied the cards, and then remembering that I had to go down and take the cards there and then go back not the second day when I expected them back but the third day and pick them up myself, I know positively that Mr. Murphy checked the cards, according to this.

Mr. KENNEDY. That does not answer this question at all.

Mr. RATCLIFFE. So far as the NLRB, I don't remember.

Senator CURTIS. How long a document is it? How long is that document you have been reading?

Mr. KENNEDY. I just read one paragraph.

Senator CURTIS. How long is the document?

Mr. KENNEDY. One page.

Senator CURTIS. I would like to have him read it and tell us what is in there that is not true, if anything.

The CHAIRMAN. Point out the paragraph to the witness from which you read, and let the witness make any statement he cares to.

(The document was handed to the witness.)

Mr. DOYLE. I take it, Mr. Kennedy, you read the third paragraph to him first and then you read the fourth paragraph?

Mr. KENNEDY. Right. Those are the only two paragraphs in question.

The CHAIRMAN. Read for your information the third and fourth paragraphs, Mr. Witness, and then make your comment.

Mr. DOYLE. May I ask instructions from the Chair? Mr. Chairman, this is a legal stipulation, written in the language of lawyers. I have had a lot of contact with this particular witness, and I find that by explaining things to him not in the language of lawyers but language he can understand, that the facts all become a lot clearer to him.

The CHAIRMAN. Let him read it for his information, and then make his comments on it. If he does not understand the question, or if he gave wrong answers, he can make a comment.

Just read it for your own information. Read it and satisfy yourself and then make your comment.

(The witness conferred with his counsel.)

Mr. DOYLE. I will tell you what he told me. He said, "If the stipulation says that we did this, that is what we did."

That is what he just told me.

The CHAIRMAN. Have you read both of them now?

Mr. RATCLIFFE. Yes, sir.

The CHAIRMAN. Are there any comments you wish to make?

Mr. RATCLIFFE. Well, I certainly pull a blank on this thing, but I have to go by the record here that says that the union rejected going to the NLRB and insisted on the card count. I have reconstructed the procedure that was followed, and it was the same procedure that has been followed with many other card counts that have been made in the eastern division.

Upon this search, I did recollect that the cards were personally delivered by me and they were picked up by me.

Mr. KENNEDY. That has nothing to do with it.

Mr. RATCLIFFE. That is the three things you have checked here, Mr. Kennedy.

Mr. KENNEDY. I will point out once again. On April 17, 1956, the memorandum signed by you, part-time employees:

The union claims they have sufficient cards to show they represent the part-time clerks, working 10 hours or more, but less than 20 hours. We agree, upon a receipt of a telegram so stating. Mr. Lichtenstein would contact Mr. Cohen and arrange for an impartial third party to verify the card representation.

In your testimony initially, when I asked you if you told them to go to the National Labor Relations Board, you told me that you did not. The memorandum would indicate that you did not. In here, it would indicate that you did. I am just questioning the facts in the stipulation; that is all. They are contradictory to the testimony you have given.

Mr. RATCLIFFE. It is, definitely, a lapse of memory, and I don't recall. But the stipulation definitely says that we did it. We followed the procedure that has been established and proven to be a good procedure.

Mr. KENNEDY. I just have a couple more matters. Mr. Ratcliffe, did Mr. Block approach you about giving his son-in-law some business?

Mr. RATCLIFFE. Yes, sir.

Mr. KENNEDY. When did he approach you?

Mr. RATCLIFFE. I don't know.

Mr. KENNEDY. What was it; the paper business?

Mr. RATCLIFFE. It was cellophane business.

Mr. KENNEDY. How many times did he approach you?

Mr. RATCLIFFE. Maybe 2 or 3.

Mr. KENNEDY. Did you make arrangements for him to get the business from the A. & P. Co.?

Mr. RATCLIFFE. No, sir. As a matter of fact, his request hurt his son-in-law.

Mr. KENNEDY. Did it hurt so badly you never gave him any business?

Mr. RATCLIFFE. No, sir. As I explained to Mr. Block, and maybe he would have requested it oftener, I pointed out that his son-in-law was selling his own merchandise and Block would do better to let him peddle his own cellophane. That was what happened, and I have not heard from him since.

Mr. DOYLE. I might add, Mr. Kennedy, so that the record will be perfectly clear, that the Comet Packaging & Paper Co. supplied bags to the company in 1956 and 1957 at a price no higher than the lowest priced suppliers of the company. The compilation shows that, from 1954 through 1957, the company bought a total, outside of its purchases from Comet, of over \$6 million worth of bags, and Comet sold to the company during that same period about \$49,000.

Mr. KENNEDY. \$49,000. Starting when?

Mr. DOYLE. Through a period of 2½ or 3 years.

Mr. RATCLIFFE. I wouldn't even hazard a guess.

Mr. KENNEDY. This was after Mr. Block's approach to you?

Mr. RATCLIFFE. It was after I got him off my back, let's say, because he didn't sell any cellophane during the time that Mr. Block was needling me to do something for his son-in-law.

Mr. KENNEDY. Did he stay off your back after you started buying cellophane from him?

Mr. RATCLIFFE. No, no, no. He didn't sell us any cellophane until he got off my back.

Mr. KENNEDY. He has been off your back since then, ever since you started buying his cellophane?

Mr. RATCLIFFE. No. We don't buy his cellophane. If Mr. Block's son-in-law or anyone else comes into our purchasing department, it

has no bearing on our labor. When Mr. Block's son-in-law went to our purchasing agent, he made a very good impression on the buyer of this merchandise. But his price wasn't right, and he didn't sell the merchandise, or he sold some, and he didn't sell any big carload lots.

Mr. KENNEDY. Mr. Ratcliffe—

Mr. RATCLIFFE. May I tell it all? We will save time that way.

Mr. KENNEDY. Go ahead.

Mr. RATCLIFFE. Mr. Block suggested I ought to talk to the buyer. I told him that I wouldn't do any good, but, if it would make him any happier, I would talk to the buyer. I talked to the buyer and the buyer, in turn, talked to his boss and his boss told him to tell me to tell Mr. Block to go to hell.

I went back and told Mr. Block exactly what the message was. Then he insisted at a later date that his son-in-law wasn't doing so well, and I said, "Well, when his price is right, he will be able to sell his merchandise, because he is a personable young man and he can certainly peddle his own merchandise better than you can force it on us. You are only hurting the kid instead of helping him."

That convinced him. Later on, Mr. Block's son-in-law did sell us some cellophane, but, certainly, not through any efforts of Mr. Block.

Mr. KENNEDY. Did you meet his son-in-law?

Mr. RATCLIFFE. I have met him; yes, sir.

Mr. KENNEDY. Did Mr. Block introduce him to you?

Mr. RATCLIFFE. I imagine so; yes, sir.

Mr. KENNEDY. Did you discuss the cellophane at that time?

Mr. RATCLIFFE. No; never. No.

Mr. KENNEDY. Did the buyer tell you, later on, that he had been able to give Mr. Zeitler a good order?

Mr. RATCLIFFE. He doesn't give orders. He buys.

Mr. KENNEDY. Did he tell you that they were able to make a very good transaction?

Mr. RATCLIFFE. No. He told me at some later date that—what is his name; Zeitler?—Zeitler had come in with the right price and he had landed a contract for paper, but it had no bearing on my discussion with the buyer. As a matter of fact, it hurt Zeitler, if anything.

Mr. KENNEDY. Has Mr. Block come to see you again about the matter?

Mr. RATCLIFFE. No, sir.

Mr. KENNEDY. He stayed off your back?

Mr. RATCLIFFE. He stayed off my back. I think I convinced him that he was hurting, rather than helping, his son-in-law.

Mr. KENNEDY. Then his son-in-law got a contract?

Mr. RATCLIFFE. No; he got no contract. He is a salesman. He comes in and he meets competition.

Mr. KENNEDY. He arranged for it?

Mr. RATCLIFFE. No; he didn't. He did it on his own.

Mr. KENNEDY. You have said that three times.

Mr. RATCLIFFE. I know, but you don't seem to hear me.

Mr. KENNEDY. Did you agree, during the 1956 election, to release certain employees to go down to the nomination meeting for Mr. Block?

Mr. RATCLIFFE. I don't remember.

Mr. KENNEDY. Well, did Mr. Block telephone you, or any representative of the union telephone you to allow certain of the employees to get out of work early so that they could go down to the nomination meeting?

Mr. RATCLIFFE. I don't remember, but I imagine, if Mr. Block made such a request, that that could be arranged or would have been arranged.

Mr. KENNEDY. Was it in this particular case?

Mr. RATCLIFFE. I don't remember it, sir.

Mr. KENNEDY. In the end of 1956?

Mr. RATCLIFFE. What was the occasion?

Mr. KENNEDY. Mr. Block was trying to get reelected or renominated.

Mr. RATCLIFFE. Yes; I remember, and I did.

Mr. KENNEDY. You wanted to help him any way you could?

Mr. RATCLIFFE. I didn't want to offend the man. After all, that was a very small favor to ask.

Mr. KENNEDY. I see. You stated that the contract had been ratified by the employees. Do you have any firsthand information or knowledge on that?

Mr. RATCLIFFE. Only hearsay evidence. Well, wait a minute. It is pretty factual, whenever they rejected the welfare but picked up the \$5 increase.

Mr. KENNEDY. Some of the employees, according to the testimony before our committee, Mr. Ross, for instance, objected to that clause. But, as far as the contract being read to the employees, he stated it never was read.

Mr. RATCLIFFE. I heard Mr. Ross' statement, but I don't think Mr. Ross' objection alone affected the elimination or the substitution of the welfare plan for the company plan again.

Mr. KENNEDY. And then Mr. Ferguson, I believe, testified this morning that the employees in his store hadn't known of the terms of the contract.

Mr. RATCLIFFE. Well, that is Mr. Ferguson's knowledge of the thing. But it was my information that the contract was ratified, and I don't see how they could reject the part of it and accept the other part unless it was ratified.

Mr. KENNEDY. Maybe they never got to approve all of it, or some of the officials learned of this clause, which was bad. But there is nothing in the union records, either, that indicates that the contract was read to the employees or ratified by the employees.

Mr. RATCLIFFE. No one objected to the \$5.

Mr. KENNEDY. Just answer the question, Mr. Ratcliffe. According to the testimony before the committee, and according to our study of the union records, there is no indication that the contract was ever ratified by the employees. Do you have any firsthand knowledge? In answer to a question by Senator Curtis, you stated that you knew the contract was ratified. Can you state, under oath here, that the contract was, in fact, ratified by the employees?

Mr. RATCLIFFE. It was my understanding that the contract was ratified.

Mr. KENNEDY. But you had no firsthand information?

Mr. RATCLIFFE. No, sir.

Senator CURTIS. Mr. Counsel, will Mr. Block be called on that point?

Mr. KENNEDY. Yes.

The CHAIRMAN. Is there anything further?

The committee will stand in recess until 10:30 in the morning. We will resume in room 318.

(Whereupon, at 4:50 p. m., the committee recessed, to reconvene at 10:30 a. m., Wednesday, May 21, 1958.)



INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, MAY 21, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska; Senator Frank Church, Democrat, Idaho.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

(Members of the committee present at the convening of the session were: Senators McClellan and Curtis.)

The CHAIRMAN. The committee will come to order.

Call your first witness.

Mr. KENNEDY. Mr. Zorn.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ZORN. I do.

TESTIMONY OF BURTON A. ZORN

The CHAIRMAN. State your name, your place of residence, and your business or profession.

Mr. ZORN. My name is Burton A. Zorn. I reside at 91 Central Park West, New York City. I am a lawyer with offices at 300 Park Avenue, New York City.

Mr. DOYLE. Mr. Chairman, as the record indicates here at your hearings, I have appeared as counsel for the Great Atlantic & Pacific Tea Co.

At this point, your committee has now called and sworn as a witness Mr. Zorn, who acts as the labor-law adviser to the Atlantic & Pacific.

Your staff has completely reviewed this attorney's files and has interviewed him in great detail. When the request was originally made to us, as general counsel for the A. & P., to interview their labor lawyer and to review their labor lawyer's files, we were faced with the most serious question, and we had to resolve it, which was whether or

not the Atlantic & Pacific should waive its historical, classic, and sacred attorney-client privilege.

After a full review and a complete consideration, and in the interest of fullhearted cooperation with this committee, and feeling no doubt about the caliber of the professional advice received by the A. & P. from Mr. Zorn and his firm, we advised the A. & P. to waive the privilege, which the A. & P. did, and we are happy that your committee will have all opportunity to make full inquiry, although we would like to point out again that this is a most unusual situation.

I am not here as Mr. Zorn's counsel. He will represent himself. At the close of his examination, I may ask the Chair to ask him 1 or 2 questions by way of clarification.

Thank you, Mr. Chairman.

The CHAIRMAN. The Chair was going to say to you, Mr. Doyle, if you have any questions, just write them out and send them to the Chair. We will pass upon them then. No doubt they will be asked.

Mr. DOYLE. So far, Mr. Chairman, you have been most kind to me in that respect, and have asked all of the questions I have passed up.

The CHAIRMAN. All right.

Mr. Zorn, I believe you have a prepared statement, have you?

Mr. ZORN. I have, sir, but with your permission, I would like to say this: I have a prepared statement which has been submitted in accordance with the committee's rules.

I realize, having been at these hearings, the urgent time limit which this committee is under. I am prepared to read the statement or I can summarize it in not more than 3 minutes, whatever your desire may be.

The CHAIRMAN. Let the statement be printed in full in the record at this point.

Senator CURTIS. Which is being referred to as the one he will read, the smaller document?

Mr. ZORN. Senator, I had, sir, just to explain it, in my formal written statement which I had prepared, I had at the end of that statement asked the permission of this committee, in view of certain discussions about the state of law, to add to the record and not to read here a statement or memorandum of law which we had prepared in connection with certain legal questions which have arisen here.

I would like, if possible—I don't know what your rules are on that—to have that document, the second document, made part of the record, sir.

Senator CURTIS. Mr. Chairman, his statement is only seven pages. I would like to hear it.

The CHAIRMAN. All right. The Chair will be very glad to have you read your statement, Mr. Zorn.

Mr. ZORN. My statement, the accuracy of which I swear to, sir, is as follows:

I express my appreciation to the committee for permitting me to make a short statement in advance of my testimony. I recognize not only the importance of the work this committee is doing, but the formidable problems it faces.

I have been labor counsel for the eastern division of the Great Atlantic & Pacific Tea Co. since 1941. During that period I have attempted, to the best of my ability, to give legal advice to the company

when requested, and to advise them of the legal consequences of their acts.

I do not form the company's basic labor policies, nor do I implement those policies within the company's organization. I am a lawyer, not a labor consultant.

My interest in labor law covers a span of more than 20 years.

With your permission, Mr. Chairman, I would like to avoid blowing my horn and skip a few pages so as to save time. It is all in the written statement.

The CHAIRMAN. Without objection on the part of the committee—

Senator CURTIS. No objection.

Mr. ZORN. I simply want to say that on my legal background, I have been a lawyer for 31 years. I have specialized in labor relations law for better than 20 years, and I have been a member of a distinguished law firm in New York City for nearly 20 years.

Now to the crux of the matter before this committee, the October 1952 contracts between the Great Atlantic & Pacific Tea Co. and the Amalgamated Metal Cutters Union, I have reviewed the background of these labor agreements with members of your staff and have afforded them complete access to our files, records, intraoffice memoranda, and time sheets.

Late in the summer and early fall of 1952 I was informed that the eastern division of the Great Atlantic & Pacific Tea Co. was faced with a critical problem resulting from a demand by the Amalgamated Meat Cutters for recognition as collective bargaining agent for the company's retail clerks in the stores in the Greater New York area.

The Amalgamated had won the right to represent the meat department employees in National Labor Board elections held in 1947 and 1950. The existing labor contracts covering these employees were to expire on October 4, 1952.

I was advised that during the negotiations for a new contract for the meat department employees, the union had announced that it was signing up a majority of the grocery clerks and would demand recognition for these clerks.

It, the union, took the position that it would brook no company opposition to its organizing campaign, and insisted that the company make no attempt to influence the employees against joining the Amalgamated.

I was further informed that the union also insisted it be permitted to establish its majority status by a check of union membership cards signed by the employees—without a Labor Board or other secret ballot election.

It was indicated that if the company refused to go along, the Amalgamated would strike all the Greater New York stores upon the expiration of the Butchers' contracts in October 1952.

Two elections had been held by the Labor Board for these grocery clerks early in 1952 in which two separate Retail Clerks' unions had been defeated.

One of these unions, Retail Clerks Local 1500, AFL, had thereafter filed objections to the election held on January 9, 1952, which the regional director in New York dismissed in March 1952, on the basis of controlling Board precedent.

An appeal from that decision had been pending in Washington since April 1952. Under the Board's 1-year rule, there could be no new election for the Bronx and Brooklyn units until March 1953.

The Amalgamated Meat Cutters Union refused to wait. It demanded that the company recognize it as bargaining agent for the clerks in October of 1952 and not in March of 1953.

If not, no new contract would be signed for the Butchers, and without a contract, the company would face a strike.

In the face of these threats the company asserted that recognition for the grocery clerks would not be granted to the Amalgamated without an election, and suggested secret ballot elections be conducted either by the American Arbitration Association or the New York State Mediation Board.

The Amalgamated flatly refused and repeatedly offered to demonstrate its majority only through the production of signed membership cards.

I was asked to advise the company whether it would be legal to recognize the Amalgamated as collective bargaining agent for the clerks if the union could prove its right to recognition by a count of employee membership cards.

I advised the company that it could legally recognize the Amalgamated for the clerks on the basis of a card count which would demonstrate its majority status.

The reasons for my decision were these: There was no question that an employer could recognize a union if the union represented a majority of its employees in an appropriate bargaining unit.

In fact, there was a legal duty to recognize a union which could demonstrate its majority status. It was equally clear that such proof could be demonstrated by means other than a Labor Board election.

One of the methods which had been recognized traditionally by reputable unions and leading companies was through a count of signed membership cards.

Another question I had to determine was whether there existed a conflicting claim of representation of these employees by another union, which prevented the use of this procedure.

I was satisfied on my knowledge of the law that no real question of representation by the two Retail Clerks' unions existed.

In the first place they had been defeated in elections in January and March of 1952. Secondly, the objections local 1500 had filed to the January election had been dismissed in April by the regional director of the Labor Board. His dismissal was based on well-established Board precedents. (*Denton Sleeping Garment Mills, Inc.*, 93 NLRB 329, and similar cases.)

Although an appeal had been taken to Washington, it had remained dormant for over 5 months. The fact that in December 1952, almost a year after the election, the Board expressly reversed its own well-established rule only adds wisdom to hindsight. And the company letter which the Board held, without any hearing, to constitute interference with the election was essentially an exercise of free speech approved by the courts. (*Bonwit Teller, Inc. v. NLRB* (197 F. 2d 640 (2d Cir., 1952), certiorari denied, 345 U. S. 905).)

Having concluded that no "real" question of representation by the Retail Clerks' union was present, I advised the company that if it

chose to do so, recognition of the Amalgamated through a card count was legal.

In the meantime and before it committed itself to the card count procedure, the company did explore with the union the possible terms of a contract which would cover the grocery clerks if the union were eventually recognized.

These preliminary explorations were legal, and I so advised the company. (*Julius Resnick, Inc.*, 86 NLRB 38.)

Finally, when early in October 1952 the company was convinced that the Amalgamated was not bluffing and a strike was imminent, it agreed to the card-counting procedure.

A reputable labor attorney and arbitrator was chosen to conduct the card count and to certify the results. When he certified that the Amalgamated represented a majority of the grocery clerks, the company negotiated a collective bargaining agreement with the Amalgamated covering these grocery clerks.

I was completely satisfied that the company could legally recognize the Amalgamated, provided that a card check demonstrated that the Amalgamated represented a majority of the employees.

As a matter of fact, the company had the alternatives either of agreeing to a legal method of resolving the majority status claim of the Amalgamated or facing economic retaliation against which the company had no legal remedy whatsoever.

One primary legal fact was and is absolutely clear. Had the Amalgamated carried out its threat to engage in a strike or picketing for the purpose of forcing the company to recognize it, the company would have had no legal remedies available to it.

Strikes and picketing for the purpose of organization or recognition were and are protected activity under the Taft-Hartley Act as administered by the National Labor Relations Board.

I can supply you gentlemen, if you like, with a full list of citations on that point, including a statement by one of the Senate committees, the "watch dog" committee, which makes that abundantly clear.

For that reason, it was not necessary for us to have research conducted in the area of the company's remedies in the event it resisted the demand of the Amalgamated for recognition. There were no remedies.

In that event, I knew that the company's only right was to engage in an economic struggle which its officials estimated might shut down hundreds of stores at a loss of over \$700,000 a week.

I might add that the questions may bring out that the company had had two disastrous strikes in previous years, but I do not want to depart from my statement.

Therefore, when I was asked for legal advice, research was required only in the event that the company bowed to the Amalgamated's ultimatum.

Even here, not all the issues required research. I knew of my own knowledge and experience that a card count would be legal. There were, however, two matters as to which research was necessary because the National Labor Relations Board had been evolving new rules:

- (1) The effective duration of the contract-bar principle in the grocery industry; and,

(2) The effect of petitions filed by rival unions prior to contract execution.

On the basis of this research plus my own knowledge, I gave legal advice to the company on the total situation facing it.

If the law had prohibited strikes and picketing for recognition only after a Labor Board election and certification, the company would have been in a position to resist the Amalgamated ultimatum. Unfortunately that was not the law in 1952 and it is not the law today.

Over the years I have been called upon to advise other clients faced with strikes and picketing by uncertified unions seeking recognition. Consistently, I have had to advise these clients that there was no legal remedy available to solve their problems.

There is no question in my mind that, on the facts and the law as I knew them at the time, my advice to the Great Atlantic & Pacific Tea Co. was sound, responsible and proper.

As to the legal issues involved in that advice, we have prepared a memorandum which I shall not take the committee's time to read but which I have appended to this statement for inclusion with your permission in the record of your inquiry.

On these or any other questions within my competence, I am at the service of this committee.

Mr. Chairman, if you will permit just one short statement on the basis of the testimony adduced in this record, I tell you under oath that I knew nothing about and never participated in in any manner, shape or form, in the private agreement which was made after the October 11 agreement with respect to the 45-hour week being continued for an additional 33 months.

I am ready to answer all questions.

The CHAIRMAN. Thank you very much.

This legal document, the Chair will make an exhibit. I do not think we will need to print it in the record, but it may be made exhibit No. 10, for reference.

(Document referred to was marked exhibit 10, for reference and may be found in the files of the select committee.)

The CHAIRMAN. Just for my own information, on page 5 of your statement you refer there and say—

Although an appeal had been taken to Washington, it had remained dormant for over 5 months.

The fact that in December 1952, almost a year after the election, the Board expressly reversed its own well-established rule, only adds wisdom to hindsight.

What action of the Board was it that reversed its previously well-established rule?

Mr. ZORN. I can explain that very quickly, sir.

The CHAIRMAN. I did not quite understand that.

Mr. ZORN. When the regional director in March of 1952 dismissed the objections of local 1500, he did it on the basis that a company letter which had been sent out 3 weeks before the election, and which, in effect, notified all the employees that by reason of competitive conditions and in accordance with its established policy the company was going to grant a \$3 increase to all employees in the eastern division, some 13,000, and explained to the employees in the Brooklyn unit that by reason of the pendency of the election, legally they were not free to

give the increase to those employees at that time. The Denton Garment case, which is set forth in my brief memorandum, Mr. Chairman, was an established rule of the Board which provided that where a union proceeded with an election with knowledge of facts on which they could subsequently claim a basis for an objection, they, in fact, waived any right to object thereafter. That was a thoroughly established rule of the Board at that time.

That is what Mr. Douds, the regional director, relied upon when he dismissed the objections of local 1500, based upon this letter. This letter, incidentally, the type of letter which was issued there, has actually been supported by the courts as a proper and complete exercise of free speech. But in December of 1952, when this appeal was sitting for all these months, the Board here in Washington decided that it was going to expressly reverse its whole policy, and held that it would no longer apply the waiver or the estoppel rule. This was at least 3 months after the Butchers contract had been entered into.

The CHAIRMAN. Did that have the effect of certifying local 1500 as the bargaining agent?

Mr. ZORN. No, sir; because on the testimony in the record, local 1500 had been overwhelmingly defeated in the January election. I don't have the figures, but they were very badly beaten. The only effect of the Board's decision was to say that another election should be run. As a matter of fact, another election was run, which local 1500 subsequently won after the contract with the Butchers was signed.

The CHAIRMAN. The effect, then, was just to reverse the case and have it tried over, so to speak?

Mr. ZORN. Well, I think one of the Supreme Court Justices recently said "A Supreme Court decision is like a railroad ticket. It is only good for one trip." That apparently is what happened here.

The CHAIRMAN. That is what I had in mind. The effect was to declare the other election void and order a new election.

Mr. ZORN. If you are at all interested in the legal aspects of that—

The CHAIRMAN. No; I don't believe so. But in doing that, they had overruled their previous precedents?

Mr. ZORN. Expressly so, sir. Expressly so.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. On that point, did the Denton Garment case hold in effect that if an employer sent a communication pending an election, that was objectionable, that the remedy for the union was to call off the election?

Mr. ZORN. That the remedy of the union, sir, was either to call off the election or withdraw it and file an unfair-labor practice charge, or to proceed with the election and waive any basis for objection.

Senator CURTIS. And to proceed with the election was estoppel to claiming that the communication prejudiced their election?

Mr. ZORN. That any action of an employer which could be used as a basis of an objection to the election was waived, or the union was estopped from raising it; that was it, sir.

Senator CURTIS. There is one other point in that election that I am not familiar with, because this type of law practice is entirely foreign to me.

How long does it take to prosecute an appeal ordinarily in a case of this kind?

Mr. ZORN. At that particular period, sir—I am just relying on my memory—this was an unusually long delay. The action of the Board depends on its caseload at a particular time. As I recall it back in 1952, the Board normally never waited as long as it did in this case. I don't know the reasons for it, but it may have been staff problems and so forth.

Senator CURTIS. Based on your years of experience, you are convinced that it was an unusually long time?

Mr. ZORN. Yes, sir.

Senator CURTIS. On what basis did you regard that when you advised your clients?

Mr. ZORN. On two bases, sir. I believed that this was a completely frivolous appeal. First, on the basis of the Denton case, which was established Board policy and affirmed by the Board in other cases—it was known as the Denton doctrine but affirmed in a series of cases—the union was waived or estopped. Secondly, in June of 1952, the Court of Appeals for the Second Circuit, sir, took a letter, almost identical with the kind of letter which the A. & P. wrote in this case, and held that that type of letter was a complete and proper exercise of the right of free speech. So on either ground I regarded the appeal as a frivolous appeal.

Senator CURTIS. You say the Denton doctrine was upheld in a series of decisions. Were there any decisions that had thrown any doubt on the Denton doctrine prior to that time or that had construed it to mean something other than—

Mr. ZORN. No, sir, that rule was absolutely clear until this completely unexpected reversal of basic Board policy came in the A. & P. case in December of 1952.

Senator CURTIS. It is somewhat the position of the young lawyer where the legislature repealed his legal knowledge.

Mr. ZORN. Well, we run into that in the practice of law, sir. I guess you know.

Senator CURTIS. That is all, Mr. Chairman.

Mr. KENNEDY. Mr. Zorn, the legality or morality of your whole argument is based on the fact that there was in fact a legal or genuine strike threat at that time. Starting with this memorandum of August 25, and the testimony that we had before the committee, it indicates quite to the contrary. In the first place, let's go back to this question of the signing of the contract originally, and the Midwestern Piping case, when you advised your client that they could go ahead and sign the contract, you were ignoring the legal decisions that existed at that time. There was an appeal going on to the National Labor Relations Board, by 1500. You say it was frivolous, but based on the legal decisions at the time, you had no right at that time to go ahead and advise your client to sign the contract. As it turned out, it was not frivolous, because the National Labor Relations Board upheld the appeal. That is No. 1. No. 2, according to your own testimony, it took 4 or 5 months already that had passed. If it was such an academic question, certainly the National Labor Relations Board could have given an answer right away. But already there was a delay of 4 or 5 months.

It must have given you some indication that they were giving this a serious thought, and might sustain the appeal, which, after all, they did do.

Mr. ZORN. Mr. Kennedy, you have a lot of questions rolled in there. I will do my level best to answer all of it as I can remember it.

Mr. KENNEDY. That is all right. I will come back to each of them.

Mr. ZORN. Since you have asked the question in that form, I would like, if you don't mind, to talk first about the Midwest Piping doctrine which some witnesses have testified to in this case.

The CHAIRMAN. Midwest what?

Mr. ZORN. Midwest Piping doctrine. If you have not already done so, if you will look at the memorandum we have already submitted, sir, you will find that the Midwest Piping doctrine applied, and the cases decided after that applied, to a case where there was a live, active, competitive rival organizing campaign with actual petitions on file for elections before the Labor Board. When you ask me, Mr. Kennedy, why I did not regard that as being a cause for thought, in my own mind then and now I saw a vital and a vast distinction between a situation in which the union had been overwhelmingly defeated in an earlier election, where under controlling Board precedent at that time there was no legal basis for the appeal, and a situation such as Midwest Pipe, in which there were active, live, representation petitions pending before the Board for an election, when the company signed a contract with one union as against the other.

Mr. KENNEDY. I will just point out two things on that. No. 1, the Board held that it was not a frivolous appeal. They sustained the appeal. No. 2, when it came to an election, you say they were soundly defeated, but when it came to a legitimate election, after the Board sustained the union, the local 1500 won the election overwhelmingly.

This was within 2 or 3 months of the time you had advised this client to go ahead, that they could sign the contract. On this other point—

Mr. ZORN. Would you like an answer to that, sir?

Mr. KENNEDY. I think you have given your answer, and I have given what the answer to that is.

Mr. ZORN. Well, you are committee counsel, Mr. Kennedy; go right ahead, sir.

Mr. KENNEDY. This memorandum of August 25, 1952, says nothing of a serious strike threat, at least at that time. All this memorandum does is to recite facts and try to figure out a way in which the company can go ahead and sign a contract with the Meat Cutters, without having any action by the CIO local in upsetting the contract and without having the National Labor Relations Board take any action. That is the point of this memorandum. That is in August of 1952. It does not recite anything in here about the union threatening them with a serious strike.

I say, Mr. Zorn, that it would appear that you are building up a strawman of a serious strike and then going ahead and saying, "Well, we could not do anything else. We had to sign the contract." In fact, based on the testimony that we have had, there was a good deal of argument in favor of the company, from their own personal position, to go ahead and sign this contract. I think that is borne out by this memorandum of August 25, 1952.

The CHAIRMAN. Has that been made an exhibit?

Mr. KENNEDY. No, it has not.

Mr. ZORN. Mr. Kennedy, I know you want to be fair. You have thrown a lot of questions into one. I have told your investigators the complete detail as best I could recall it, of how this whole situation evolved and how it developed. As Mr. Ratcliffe testified yesterday, from a little wind to a very strong wind.

Now, this memorandum, and I want to make this very clear because it has been used in this testimony before, and sitting in your position, Mr. Kennedy, I would probably interpret this memorandum the way you have interpreted it, without a precise knowledge of the background facts. But in order to understand this memorandum, let me say this to you: The opening paragraph in this memorandum is not a statement of actual existing fact at the time it was written.

Nor is it a statement, sir, of any intention on the part of anybody. This is something which is done in every law office every day of the week, in which a client comes in, tells you certain facts, and then, as a lawyer doing a job, you attempt to project those facts into what might develop in the situation, and you prepare legal advice on that basis. If you want, sir, I will tell you in detail exactly what I was informed prior to the time this memorandum was written, and I will tell you in detail, sir, exactly what I learned after the memorandum was written. I realize I am testifying under oath and as an officer of the court.

Mr. KENNEDY. It would seem to me that a memorandum written at the time was the best possible evidence as to what occurred. It does not say anything in there that the Meat Cutters have come to the company and have said, "We are going to strike unless you sign a contract with us."

This is a memorandum which sets forth some facts dealing with what we can do if we go ahead. Then it sets forth a question as to whether a 5-year contract would be a legal contract.

Why, if they wanted to avoid a contract with this union, would you be making a study to find out if a 5-year contract with this union was proper?

Mr. ZORN. If you would permit me, sir, and I know you want to be fair, I will tell you, and I will tell you what the facts were.

Mr. KENNEDY. I thought you had been making quite a few statements here, and I thought we should get the whole thing in perspective.

Mr. ZORN. I will be very happy, Mr. Chairman, to give you the whole story on this, under oath.

The CHAIRMAN. The Chair wants to get this memorandum into the record. I will ask you to examine it and identify it.

(The document was handed to the witness.)

Mr. ZORN. This is an intraoffice memorandum of my law firm, prepared by one of my younger associates, Mr. Lester Block, to me, as an intraoffice memorandum, and I so identify it, dated August 25, 1952.

The CHAIRMAN. It may be made exhibit No. 11, for reference only.

(The document referred to was marked "Exhibit No. 11" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Now we will know what we are referring to when you are interrogated about it. Do you have some statement you wish to make?

Mr. ZORN. I would like to present the facts, if I may, sir, as I stated, and I repeat, this is a summary statement made by an associate of mine with respect to a conversation I had with him on the basis of which he proceeded to research some questions.

The CHAIRMAN. That was the statement made at the time? Were those notes you are testifying from made at the time, or are they from recollection since?

Mr. ZORN. The actual memorandum, of course, you have now marked in evidence. The first paragraph, sir, of that memorandum, reflects my young associate's understanding of a problem which I presented to him, and I think it would be fair if you would permit me to give the basis of the information I had at the time, what I knew at the time.

The CHAIRMAN. As I understand you, in this memorandum the first paragraph is the understanding that Mr. Block had from you of what the facts were; is that correct?

Mr. ZORN. Not of what the facts were, sir. That is exactly the point I am making. Of what the facts were, plus how I thought this situation would develop. We do that in a law office every day in the week, projecting the facts in a potential situation.

The CHAIRMAN. Now I think I get it. Based on the factual information your client had given you with respect to its relations and negotiations with this union, and what you anticipated, as a lawyer, might develop or evolve from the issue between the union and the company, your client, you gave that state of facts to your associate, upon which he made the research and submitted to you this memorandum??

Mr. ZORN. That is correct, sir.

The CHAIRMAN. If you want to state what it was at that time, and the information that you gave him, and how it developed, that is all right.

Mr. ZORN. As I already told your staff people, Mr. Ratcliffe came to me within a day, 2 or 3 or prior to the time I had this conversation with my associate, Mr. Block, and in essence, Ratcliffe told me the following. I think as he testified yesterday he may have approached me about this earlier. I didn't recall that until he brought that to my attention, on the validity of the card count. But just prior to August 20, Mr. Ratcliffe said to me that he had been having a series of negotiations, in which I never participated, with the Meat Cutters, with respect to the Meat Cutters' contract; that Mr. Max Block of the Meat Cutters had informed him some months prior to that that he, the butchers, were going to organize the clerks, because the other unions were out of the picture and had been defeated in elections. He told me further that Block took the position with him that knowing the practices of the company in the past, with respect to what they claimed were antiunion activities or hostility to unions, that Block would not sit still for any propaganda campaign, nor would he sit still and wait until March of 1953 for an overall election under the Board's rules. Ratcliffe told me then that Block had made it clear to him—he didn't say that at that point there was a real threat of strike. As I recall it, as he put it to me, there was a sort of veiled threat or an intimation of a strike, when the butchers' contract expired in October.

It was then Mr. Ratcliffe said to me "This is a matter that our top management is taking seriously. They want no part of any union for the clerks, but they want to be prepared with legal advice in case this situation develops."

Ratcliffe said to me at that time that "If we ever get hooked or forced into a situation of this kind, I would like to make the best deal I can for the company, and what I would like to do is try to get myself a 5-year contract with a 45-hour week for both the butchers and the clerks."

He was then negotiating the butchers' contract. Both at that time and I think at one prior time I told him that in my legal judgment if the company ever agreed to a card count, that that, in my opinion, would be legal.

The CHAIRMAN. Agreed to what?

Mr. ZORN. A card count instead of a Labor Board election, which the union was rejecting. And then, Mr. Chairman, there were subsequent discussions and I participated as a lawyer in 2 or 3 further discussions with the union, with Mr. Ratcliffe. If you would like me to tell you about those, I will be glad to, or if Mr. Kennedy wants to inquire about those I will be glad to answer the questions.

The CHAIRMAN. What your client was actually doing was in the process of negotiating a contract with the Meat Cutters, with whom they already had a contract and who were already organized.

Mr. ZORN. That is correct, sir.

The CHAIRMAN. That was a renewal contract, or a new contract to take effect at the expiration of the old one.

Then the question arose in the course of their negotiations, where either they wanted to include the clerks or the question arose whether they could legally make a contract, with the clerks.

Mr. ZORN. That is correct, sir.

The CHAIRMAN. That is, in the event they got a majority of the signers, according to the card count; that is correct?

Mr. ZORN. That is right.

The CHAIRMAN. What was the urgency? Here is the thing that I cannot understand: What was the urgency about getting a card count that caused the company to assist in getting the card count, to assist in getting its own employees to sign up?

(At this point, Senator Church entered the hearing room.)

The CHAIRMAN. We have testimony to that effect, and it is pretty convincing testimony. There was something that motivated the company at the time to get out there and help get these clerks into this Meat Cutters Union.

Mr. ZORN. May I answer that, sir?

The CHAIRMAN. Yes.

Mr. ZORN. So far as I was concerned, I made it abundantly clear that in this card count—and Block had been, as I understood it, asking not for active assistance during this period but for a position of neutrality on the part of the company and no opposition—I made it abundantly clear to the company that if they ever agreed to a card count, and if there were, in fact, coercion, they would not have a valid agreement. What happened subsequent to that, some portions of that are in the record, and I did not know, sir, until Labor Board charges were filed, probably in the early part of 1953, as I recall it, and we

had certain investigations made, that some managers were alleged to have given assistance to the Butchers in the signing of the cards. But that I had absolutely no knowledge of prior to the execution of this contract, and it was contrary to my advice.

The CHAIRMAN. Here is another thing in that connection. Block was claiming he already had a majority, and it was upon that premise that he was insisting that they negotiate a contract with the clerks.

Mr. ZORN. Correct, sir.

The CHAIRMAN. He was taking the position that he already had a majority.

Mr. ZORN. Yes.

The CHAIRMAN. Well, he had to take that position in order to support his demand for a contract.

Mr. ZORN. Of course, but we thought he was moving at certain stages of this, sir.

The CHAIRMAN. Obviously he was, and obviously, from the testimony here, the company knew it, and then they capitulated and went out there, hurriedly, in 3 or 4 days, and helped him get enough cards to make the majority. That is the way it looks on the face of it.

Mr. ZORN. I think the record is clear at this point, that there was some assistance, no question about it, on the part of the managers. The extent of that I don't think has ever been fully ascertained. All I am suggesting to you is that if that were done, it was not done on the basis of top management policy because all through this situation, Mr. Chairman, I knew the attitude of top management in the eastern division was that they would have been a lot happier without the clerks under agreement that they would have been with the clerks unionized.

The CHAIRMAN. That is is. That is what is so convincing about it.

Heretofore the company had had rigid, firm policy of resistance. Here in the twinkling of an eye, almost, they change their policy and their managers go out and help get these cards before the 4th of October, so that they can make a contract.

Mr. ZORN. I think, Mr. Chairman, the real question before your committee is whether or not there was a strike threat, and whether the top management of the company genuinely believed there was a strike threat. I personally participated in a couple of meetings in September and in October. When I was asked by the company whether Max Block meant business at that time, which was considerably after August 20, I was frank to say that I thought that he did mean business, and that he was not bluffing on a strike threat.

There is a difference between that, sir, and what the company people thought on the basis of their surveys, as to whether he had actually signed up a majority. But on the strike threat I was convinced by October that that was serious.

The CHAIRMAN. What I cannot understand is that he was going to call the strike on the basis of the fact they had refused to negotiate with him, notwithstanding he had a majority of the employees signed up for his union. If he didn't have, he would be in an untenable position to call a strike. It was easy to determine, just to have a card count on the basis of his representation, to say "All right, let's count your cards."

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. ZORN. May I clarify that?

The CHAIRMAN. Instead of doing it, they enter into obviously, or apparently so, enter into an agreement with him and say "all right, we wouldn't resist, we will help you get the cards, so we will be sure you do have a majority, and, therefore, we will be safe in entering into a contract with you."

Mr. ZORN. May I clarify that? I think there is some confusion in the record on that. The Butchers' contract for the meat department employees was due to expire, as I recall it, on October 4. The threat was, as it developed and became greater as time went along, "If you don't go along with the card count and recognize us for the clerks, and we claim we have a majority, we are going to strike the butchers."

The union had a perfect right to refuse to renew the contract and strike the butchers. That was primarily the problem the company was facing, if it actually in fact believed that he was serious about a butchers' strike in order to get the clerks.

(At this point, Senator Goldwater entered the hearing room.)

The CHAIRMAN. But I still think they could threaten to call a strike, so far as the butchers were concerned, but I cannot understand why the company could get so exercised in helping and assisting them to get the cards, the required number of cards, to make a majority of the employees.

You say top management didn't.

Mr. ZORN. That is correct.

The CHAIRMAN. That is a matter of opinion, maybe, and you may be correct. But certainly they must have condoned what went on, because it is so obvious it is bound to be known. They were even setting aside a space for the representative of the union in the place of business and going around and selecting employees and sending them over there to talk to union men on company time. That just doesn't ring true to a company that is actually resisting.

Mr. ZORN. Well, I think, Mr. Chairman, that your reference to setting space aside is based on certain evidence as to what occurred in New Jersey, which came after the New York situation, and which was not involved in the strike threat. The evidence does show, at least the evidence I have listened to during the course of these hearings, that certain managers had coerced. I would like to say one thing in answer to your question. I will try to respond to all of these questions as frankly as I can. The company, on my advice in 1947, had refused a closed shop demand for its butchers' union in its Los Angeles stores, as a result of which they had a 5-month strike.

We filed charges at the Labor Board. We had long hearings before the Labor Board. It took 4 months to get the Labor Board to apply for an injunction, and these stores were out for a period of 5 months. Finally, as a result of that scrap, the men went back to work without the illegal contract. In 1945, sir, and I was in these situations, in the Newark unit of the stores, the Teamsters had put an organizing picket line around the Newark warehouse and Newark stores and we took a 7-week strike and rejected a demand by the Teamsters for recognition. The company was gunshy of strikes, and they, the top management, ultimately believed in this situation. There were other considerations, and I am frank to admit that. But the compelling con-

sideration, which in my judgment motivated the agreement for the card count, and I am not defending the coercion at all, was a genuine belief that the Butchers would walk out of the stores on the expiration of the butchers' contract if something weren't done.

The CHAIRMAN. Let me ask one question. This is not the testimony I am seeking, but taking your approach to this as being correct, would you regard that kind of pressure that was applied, on the basis of your theory, the threat to strike, claiming to have a card count, but not having at the time, and threatening not to sign up or to negotiate the other contract, would you regard that as an unfair labor practice?

Mr. ZORN. Clearly not, under the existing law then and now. That would still be legal in my judgment today, and I can give you citation after citation for that.

The CHAIRMAN. I am asking for information. Do you think it should be declared by law to be an improper labor practice?

Mr. ZORN. Mr. Chairman, for 15 years, in various capacities, I have done my level best to try to persuade this Congress, and to try to persuade the New York State Legislature, to adopt a law which would make it illegal to strike or picket in the absence of a secret-ballot election and a labor board certification, and thus far I have gotten nowhere.

The CHAIRMAN. I did not base my actions on your viewpoint, but I did introduce a bill which has a provision in it which might tend to correct it, from my viewpoint. I am thinking in terms of the employees. I doubt seriously that the employees at the time this contract was made for them, I doubt that the clerk employees would have selected the Butchers' Union as its bargaining representative, if they had had a free choice. I have serious doubts that they would have. I can't know, but I have serious doubts, and I think this sort of a practice, this kind of pressure is calculated, often, to deny the free expression of the men, the employees themselves, as to the representation they want.

Mr. ZORN. Mr. Chairman, I couldn't agree with you more, personally and on the record that I have heard. I do not think that the companies should be put in the position of being helpless against this kind of threat.

People who haven't lived in labor relations law may take one view of it. I have had any number of situations where even without a contract, employers have been forced to deal with a union under threat of strike or destruction of their business, and I can implement that when you want me to.

The CHAIRMAN. I think a company ought to be prohibited and there ought to be some way to protect the men from company collusion that delivers them into a union without their consent.

This thing here, the way it was handled, on the face of it, looks to me like the company and the union made some kind of a deal, and the company went out and helped deliver these men into the Butchers' Union against what I believe were their wishes at the time. Then we go further and they make a secret contract of some kind that these employees never heard of, either from the union or from the company that affected their rights and affected their liability for a period of 5 years. Those kinds of secret deals between management and union leaders just ought not to occur. They ought to be prohibited.

It is an outrage. It is a disgrace, to use a workingman as a pawn for the financial, mutual advantage of labor leaders, either to increase their power or for personal gain, and for profit on the part of the employer.

It looks to me like we have that situation here where these people did not know what their contract was, they were never told the secret agreement was made. They were placed under a contract for 5 years, and in a union that I doubt they would have selected if they had had a free choice.

Mr. ZORN. Senator, just one statement, and I will be very brief. At that time, and even today, the law did not protect the employer against that kind of a strike threat or strike, nor did the law protect the employees against the kind of things you have been talking about. I think that is an area of great importance that something should be done about.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Zorn, you participated actively, and if you thought it was so reprehensible as it appears you are now taking as your position, as far as the union is concerned, you certainly could have taken some steps at that time to prevent it. You were an active participant in it. Certainly it was upon your advice, was it not, Mr. Zorn, that the card count was kept secret?

(At this point, Senator McClellan left the hearing room.)

Mr. ZORN. No, sir.

Mr. KENNEDY. Did you have any role in that?

Mr. ZORN. The only role I made in that, Mr. Kennedy, was that I was given the information. As a matter of fact, if you check back with your staff I told them that when I was first pulled into this picture for any direct discussion with the union and its attorney, and I came—

Mr. KENNEDY. Mr. Zorn, if you will be able to keep your answers down, we will be able to keep the questions down.

Mr. ZORN. All right, fair enough. The answer is that as I understood the situation the union would have no part either of a Labor Board election, would have no part of a suggestion I made with respect to another type of election, and they insisted on keeping this thing quiet, and if we didn't keep it quiet, I understood the situation to be that we were going to be in trouble. That is what I was told.

Mr. KENNEDY. Didn't you advise them at that time that if they wanted to have a legal contract, or a contract which would not be subject to action by the CIO union or by the NLRB, that they would have to keep the card count secret?

Mr. ZORN. No, sir, I did not. What I said was, and the memorandum makes it very clear, the internal memorandum to which you are referring makes it very clear, that my advice was, which I repeated—the company never got a copy of this memo—my advice was that if prior to the time the recognition was established by a card count and a contract was signed, if another union, and I was not thinking of the CIO or AFL, if another union started another petition and started an active campaign, any contract that the company signed would be in jeopardy.

Mr. KENNEDY. Therefore, they would have to keep it secret or the CIO union could come in and throw it out. It was in jeopardy.

Therefore, it was based on this memorandum with your recommendation that there be a secret card count and the contract be signed in secret. You also pointed out that if it was known to the other unions that the contract was being signed, they could file a petition and the National Labor Relations Board could throw that out.

Mr. ZORN. The secrecy was not the result, Mr. Kennedy, of my advice. I will go over that memorandum in detail, if you permit me to answer that. The secrecy, if you call it that, was based upon the fact that the Butchers Union had made it very clear that they were conducting this card signing campaign, and if any notoriety was given by the company in any manner to that, the company would be in trouble. That is what I was told.

Mr. KENNEDY. That is what you found out yourself. Your law firm made a study and found out that if any notoriety, any public knowledge was made of this, then the company would be in trouble.

On that the only alternative was to make it secret. That is back on August 25.

Mr. ZORN. Mr. Kennedy, the question I was addressing myself to, or that I asked my associate to research, was the effect of a petition filed by another union, a live petition filed by another union, and we were projecting, as I clearly stated before, prior to the time. The secrecy or the failure of the company to make announcement to its employees, I understood throughout. That was not based on my advice, and I am testifying under oath and I know it. That was not based on my advice. That was based upon a state of facts where the company believed that if this thing were given notoriety, and the other unions moved in, they would still face a strike, and there was no legal defense or no legal remedy available to it.

Mr. KENNEDY. Mr. Zorn, would you answer the question as to whether you made a study, initially, and this is back on August 25, 1952, as to what would be the legal results if the CIO was able to file a petition while this organizing drive of the A. F. of L. was going on?

(At this point, Senator McClellan entered the hearing room.)

Mr. ZORN. The answer is "Yes."

Mr. KENNEDY. As an answer to that, you found out that the A. F. of L. union could be in difficulty, the company could be in difficulty, and the National Labor Relations Board could move in, isn't that right?

Mr. ZORN. That it would jeopardize any contract which they signed, that is correct.

Mr. KENNEDY. The second alternative which you studied in this memorandum was if a petition was signed after the company recognized the union? Isn't that the second alternative that you studied?

Mr. ZORN. There were three, Mr. Kennedy. That was one, that is right.

Mr. KENNEDY. And you also found that the National Labor Relations Board could move in successfully on that contract?

Mr. ZORN. That is correct.

Mr. KENNEDY. The third alternative that you studied was if the contract was signed prior to the petition of the CIO being filed, if a contract was signed immediately after the card count, the card count not being known, and the contract signed immediately, and a petition

being filed then by the CIO, that was the third alternative that you studied; isn't that right?

Mr. ZORN. Well, the net effect of all those alternatives——

Mr. KENNEDY. Just give me an answer to the question. Isn't that the third alternative that you studied?

Mr. ZORN. That if——

Mr. KENNEDY. I will read it to you. The CIO would file a petition after the company had already recognized and entered into a complete collective bargaining contract with the A. F. of L. That is No. 3.

Mr. ZORN. In other words, if the contract had been consummated prior to the filing of a petition, the contract in my judgment then would have been legal. That is correct.

Mr. KENNEDY. All right. So, therefore, the result of that was—that is exactly what the company did. The first two alternatives would have thrown the contract out. The third alternative could be successful, it could be a successful contract, and that is why the card count was kept secret and that is why the contract was kept secret, so that you could move in and sign this contract.

Mr. ZORN. But, Mr. Kennedy, that was not decided by top management until October. It was not decided in August, sir.

Mr. KENNEDY. You were 3 months ahead of them, Mr. Zorn, because you were giving them these recommendations back in August of 1952, 2 or 3 months before. Everything that you suggested came true.

Mr. ZORN. That isn't quite so. Everything I suggested did not come true, because so far as I am concerned this memorandum refers to Ratcliffe's suggestion to me that he might, if forced to the wall, get a 5-year contract with yearly wage reopening provisions; that never happened. Secondly, to the best of my knowledge, when it came to a showdown on October 11, 1952, and I made it clear I knew nothing about any subsequent private agreement when it came to October 11, 1952, the company had a 22-month contract and not a 5-year contract.

Mr. KENNEDY. Then you make a study in here also, Mr. Zorn, about the right to sign a 5-year contract. If the company was under the threat of a strike, why would they be so anxious to have a study made of signing a 5-year contract? Why would they even be interested in a 5-year contract? I would think that a 2-year contract would be all that they would want.

Mr. ZORN. Mr. Kennedy, in labor relations it is always advantageous to the company to get a longer term contract than short term, and that is what French Ratcliffe told me, that if forced to the wall, they would try to get, and to my knowledge they did not get it.

Mr. KENNEDY. Didn't you find out here in your study that you made, that a 5-year contract would not be a bar to a petition by another union?

Mr. ZORN. That is correct. That is what happened. There was another election.

Mr. KENNEDY. Isn't that why a 2-year contract was signed with the secret agreement on the side, because a 5-year contract would not have been a bar?

Mr. ZORN. Mr. Kennedy, let me say again, and let me say again as seriously and under oath as I can say it, with full realization of the nature of my testimony here—

Mr. KENNEDY. You said that a number of times.

Mr. ZORN. I appreciate that very seriously.

Mr. KENNEDY. Yes.

Mr. ZORN. That so far as I knew at any stage of this whole situation, the 5-year proposal was what I would call a hope on the part of Mr. Ratcliffe, which we studied, which was never consummated, and, to my knowledge, all that we ever got was a 22-month contract.

Mr. KENNEDY. That doesn't answer the question. The reason that the contract was signed for 2 years was based, again, on your study that a 5-year contract would not have been a bar to another union.

Mr. ZORN. That is definitely not so. I will tell you exactly what happened there. We were pressing to the very last moment, and I will explain it, if you give me the opportunity. I will explain it. What I said was that a 5-year contract would not be a bar to a subsequent petition or Labor Board election after 2 years, but if the company had been successful in getting a 5-year contract, and if the Butchers had won a subsequent election, the Butchers would legally have been bound to that 5-year contract if it were a contract openly arrived at.

There is a vast distinction between the two.

Mr. KENNEDY. Why did you also go into some detail in this memorandum of the company's assisting the union in signing up the employees?

Why, back in August of 1952, were you considering that point?

Mr. ZORN. Mr. Block, Lester Block, was making a research of the problem. He was on his own. One of the considerations in connection with all of the possibilities that might develop here was a definite caution that in the event there was active company aid or assistance the contract would be illegal, and I have so stated here. That is what I advised the client.

Mr. KENNEDY. You were studying that back in August of 1952, and you say that you are surprised, before the committee, to find out that that occurred. But you are studying it back in August of 1952. It seems to me more than a coincidence that you devote 2 or 3 pages as to what the legal ramifications of the company assisting the union in signing up the employees are, and then coming before the committee and saying this is all a shock to you.

Mr. ZORN. Mr. Kennedy, I don't know whether you understand what a lawyer's role is in a situation of this kind in this sense. We canvass the possibilities.

Mr. KENNEDY. If this is it, I am learning something.

Mr. ZORN. If you are suggesting, sir, if you are suggesting, that I or my office advised this company to go out and coerce employees, I tell you flatly that that is not the fact.

Mr. KENNEDY. No; you told them there that they would get in difficulty if they did. All I say is that you knew all along that this matter was coming to fruition, and knew what the facts were, and knew and advised the company into what has been developed here before the committee. That was your role.

Mr. ZORN. Those are your assumptions, Mr. Kennedy.

Mr. KENNEDY. I am basing them on a memorandum that was written in August of 1952.

Mr. ZORN. That memorandum, as I explained very clearly, was based upon the projection of a possibility of a situation which was undetermined. I think the testimony here is, and you will get more testimony, that the policy decision was made not by Mr. Ratcliffe, not by Mr. Schimmat, not by myself, but was made by the two top officers of the company, who, until early October, had taken a definite position that they would not go along with any arrangement with the Meat Cutters.

Mr. KENNEDY. You talked to me about the fact that perhaps I don't know the role of an attorney in matters such as this. Let me read this to you and see if this possibly would be of help to me, on page 12.

Mr. May, would you read that?

Mr. MAY. It is as follows:

This memorandum will not discuss any unfair labor practice aspects of the possible activity under consideration since at least a 2-year period would be involved in processing the unfair labor practice charge before a final consideration was reached.

This length of time makes the consideration of that problem academic since the maximum period of a contract as a bar is 2 years, as has been pointed out above. It should be noted, however, that actively assisting one of rival unions or entering into a collective bargaining—

it says union—

while a proceeding is pending before a labor board constitutes illegal interference under the act.

Mr. KENNEDY. That first part of the paragraph, is that your attitude toward the laws of the United States and the National Labor Relations Board, the fact that it is going to take 2 years to process a grievance against the company, with that you can go ahead and commit unfair labor practices?

Mr. ZORN. Mr. Kennedy, it is definitely not my idea, and I have never, in my whole experience, advised any client to commit any unfair labor practices. This statement by Lester Block I consider an unfortunate statement in the sense that I did not ask him for that, because I knew perfectly well how long it would take, and the only reason I can think of why he put it in here was that in any litigation a client invariably asks "Well, now, if we are wrong about the thing, how long is it going to take for a board to make a determination?"

But I personally, Mr. Kennedy, did not advise the Tea Co. nor have I ever advised any client to commit any unfair practice or illegal act.

Mr. KENNEDY. This attorney in your office evidently reached these conclusions or made this research based on the facts that you gave him, and this is the memorandum. It is your document. Then:

It should be noted, however, that actively assisting one of rival unions or entering into a collective bargaining—

I guess it is contract—

While a proceeding is pending before a labor board constitutes illegal interference under the act.

Mr. ZORN. That is correct. It would.

Mr. KENNEDY. That is exactly what the A. & P. did.

Mr. ZORN. If it were done, Mr. Kennedy, it was certainly done contrary to my advice because if this company wanted to make an arrangements with the Butchers under a threat of strike and a card count of the kind that has been developed here, I certainly as a lawyer would never have advised them to do it in such a way that it would be subsequently upset, and I advised them very clearly of the dangers.

That is one reason a statement like this is in this memorandum, the dangers of the coercion or active assistance of the Butchers.

Mr. KENNEDY. It states here also on page 12:

It should also be noted that any apparent submission by the company to economic pressure, such as signing a contract with the A. F. of L. upon the basis of a strike threat might pervade dangerously A. & P.'s relations to other unions, such as the Teamsters.

Mr. ZORN. If you want an explanation of that, I think I can give it to you, Mr. Kennedy. What was in Lester Block's mind at the time was that if the company departed from its more or less traditional policy of insisting upon elections, and as I said before this was a potential situation, then, in fact, once having done it for one union, the company would then be required to do it for other unions, and he was thinking particularly of the company's warehouses most of which were unorganized at that time.

Mr. KENNEDY. Did you finally advise the company that they could enter into this contract if they were forced into it?

Mr. ZORN. I have said that repeatedly; yes, sir.

Mr. KENNEDY. If they were forced into it; is that right?

Mr. ZORN. If they decided to go into it; yes, sir. That was their decision, not mine.

Mr. KENNEDY. We have read into the record the letter of September 30, 1952, and then Mr. Ratcliffe forwarding that letter of September 3 from Mr. Cohen to you, and then your letter in response of October 7, 1952. Are you familiar with that letter?

Mr. ZORN. Yes, sir; I am; very familiar to it.

Mr. KENNEDY. It is written to Arnold Cohen, Esq.

DEAR MR. COHEN:

I think this is an important letter—

We represent the above-named employer. We have been informed of your letter dated September 30, 1952, wherein you have transmitted the demand of your client, the Butchers' District Council of New York and New Jersey, to negotiate with the employer as collective bargaining agent of its employees in the grocery, dairy, and produce departments of its supermarkets and service stores in its Brooklyn, Garden City, and Bronx units. If your client represents a majority of such employees as evidenced by certification of the National Labor Relations Board, the employer, of course, will negotiate with it. Until such time, we do not believe that any useful purpose will be served by any conferences as suggested by you.

This letter was written, dated October 7, 1952. It was 1 day after you had already set up the card count, at least 1 day, and the conferences that you speak of in this letter that you do not want to participate in, have been taking place for approximately 3 or 4 months.

What was the possible reason for you writing such a letter?

Mr. ZORN. I will be glad to tell you, Mr. Kennedy. I had had a meeting with Mr. Ratcliffe and the union's attorney, Mr. Arnold Cohn, and Block, on September 19. As Mr. Ratcliffe indicated yes-

terday, the union was getting to the point where they complained that we were stalling, and they were going to take action.

At that meeting we had an emphatic statement that unless we got a commitment and very quickly on the card count, there would be a strike. Mr. Ratcliffe and I were instructed to stall at that point, because top management still was not sure that Block was not bluffing.

During that meeting, Mr. Arnold Cohen said:

We are going to get this thing moving, and moving in the proper shape, and I am going to send you fellows a formal demand for recognition.

That is what we call in this field the boilerplate type of letter, a formal demand for recognition in writing. On October 7, I had this information, I had talked to French Ratcliffe on about October 1 or 2 after his receipt of Cohen's letter demanding formal recognition. I had been told by Ratcliffe at that time that the company, on their surveys, had some doubt as to whether or not the union had a majority. I wrote this letter for two purposes.

I will be glad to explain them. The first was that we had requested from the beginning a Labor Board election and that had been flatly rejected, and I wanted a written record on that.

My second motivation in writing this type of formal letter was that at that particular point we were making a last-minute, desperate effort to try to smoke the situation out and find out whether these men were actually serious about a strike threat, because in this game there is a lot of poker played and although we had every reason to believe that the strike threat was serious this was a last, desperate effort to smoke them out as to the seriousness of it, and I found it out the next day with Cohen's telegram.

The CHAIRMAN. You found out what the next day?

Mr. ZORN. Found out they were darned serious when we got the telegram the next day.

Mr. KENNEDY. You had already set up the card count.

Mr. ZORN. I had not, sir.

Mr. KENNEDY. The company had set up the card count. It had been set up the day before. It was written just for the record, was it not?

Mr. ZORN. I don't recall, Mr. Kennedy. If you can refresh my recollection—I don't recall that the card count was set up, actually set up, until October 8.

Mr. KENNEDY. The card count was set up at least by October 6. Wasn't this letter written just for the record in case a proceeding took place at a later time?

Mr. ZORN. Mr. Kennedy, it was written for the two reasons that I have just stated.

Mr. KENNEDY. Was it written for the record? Can you answer that question?

Mr. ZORN. Partially for the record and partially for another reason.

Mr. KENNEDY. I know that when our investigators first came in to interview you, and asked for your documents, the documents that we received were the September 30 letter, the forwarding of that, the communication from Ratcliffe to you, this letter of October 7 of yours, and then this telegram of Arnold Cohen, which gives a person who is

looking over the documents an entirely false picture as to what had taken place.

Mr. ZORN. Mr. Kennedy, I think we gave your people a lot more than that. I have a record here of a stack of stuff that we sent to them right from scratch.

Mr. KENNEDY. Not initially.

Mr. ZORN. I will be glad to show you what our records show as to how much we submitted to your staff people when they first came in.

The CHAIRMAN. Has this document been made a part of the record?

Mr. KENNEDY. No.

The CHAIRMAN. Mr. Zorn, you received in reply to that letter, did you, a telegram from Arnold Cohen?

Mr. ZORN. Yes, sir; dated, as I recall it, October 8.

The CHAIRMAN. Is this a photostatic copy of the telegram you received?

(The document was handed to the witness.)

Mr. ZORN. Yes, sir.

The CHAIRMAN. That telegram may be printed in the record at this point.

Mr. KENNEDY. Mr. May can read it in.

Mr. MAY. The telegram is dated October 8, 1952.

BURTON ZORN: Letter received, council emphatically rejects company proposal. Will not subject members to procedural delays and company dilatory antiunion tactics as experienced in prior campaign. Council represents more than majority each unit and insists upon immediate recognition or will immediately invoke economic action.

ARNOLD COHEN.

The CHAIRMAN. Am I correct about this correspondence? There was a letter first from the union to Mr. Ratcliffe, and then Ratcliffe transferred that letter to you, and you, in turn, wrote the union as of October 7, the letter that has been read into the record, and you received this telegram on October 8.

I am trying to get this for the record. Did all of this transpire after the company had given its assistance, company supervisors and managers had given their assistance, in procuring the cards?

Mr. ZORN. To the best of my knowledge, Mr. Chairman, and I may be in error, the evidence here indicates that the principal claim of company assistance by managers occurred on October 7 and 8, as I recall it.

The CHAIRMAN. My recollection is it had occurred——

Mr. ZORN. I am not certain, sir.

The CHAIRMAN. The 6th and the 7th were the days of the drive, as I recall. Am I right about that?

Mr. KENNEDY. Some of the affidavits we received say that it started the end of December and others say it was the first week of October.

Mr. ZORN. I don't know, sir. I just don't know.

The CHAIRMAN. It occurred to me that these matters that have just been made part of the record all took place, the letterwriting and the wire and so forth, after the company, or at least after its managers and supervisors, had lent their assistance to the union in getting the people to sign the cards.

Mr. ZORN. Mr. Chairman, I made it clear to the company that any action of that kind would invalidate the contract. How that did

happen, I still don't understand. But the evidence here indicates that something like that did happen.

The CHAIRMAN. Somebody higher than a supervisor or manager in the company, in my judgment, is bound to know whether that was going on. The company before had had experience in building up resistance and finding means to resist efforts to unionize its employees.

This looks like where they were giving their utmost cooperation while the shadowboxing was going on on the outside, building up a record.

Mr. ZORN. That is very strange to me, Mr. Chairman, for one reason.

The CHAIRMAN. I am just elaborating.

Mr. ZORN. I would like to say this. As late as October 1, Ratcliffe was telling me that on the basis of company surveys, they didn't think that even at that point Block had gotten a majority. So it just is as mysterious to me as it is to you.

The CHAIRMAN. It does create an interest and curiosity to know just what happened.

Mr. ZORN. And a very natural one, sir.

Mr. KENNEDY. And it was these letters, this exchange of correspondence, starting September 30, the letter of October 7 and the telegram of October 8, which are listed in the stipulation?

Mr. ZORN. Yes, sir. Well, not necessarily, no. I would not quite agree with that.

Mr. KENNEDY. The substance of these communications?

Mr. ZORN. I think the stipulation, if we look at it carefully, reflects a situation that existed not merely with these letters, but a situation which had existed long prior to these letters, and which these letters simply put in record form.

Mr. KENNEDY. In letter form at this period of time.

Mr. ZORN. That is correct.

Mr. KENNEDY. The stipulation is dated October 9, 1952.

The CHAIRMAN. Has that been placed in the record?

Mr. KENNEDY. No, it has not, Mr. Chairman.

The CHAIRMAN. Mr. Zorn, I hand you what purports to be a photostatic copy of the stipulation referred to. Would you identify it, please, sir?

(The document was handed to the witness.)

Mr. ZORN. Yes, sir.

The CHAIRMAN. The stipulation may be printed in the record at this point.

(The stipulation is as follows:)

STIPULATION BY AND BETWEEN THE BUTCHERS DISTRICT COUNCIL OF NEW YORK AND NEW JERSEY, AFFILIATED WITH THE AMALGAMATED MEAT CUTTERS AND BUTCHER WORKMEN OF NORTH AMERICA, A. F. OF L., ACTING ON BEHALF OF ITS MEMBER LOCALS 342, 400 AND 489 (HEREINAFTER REFERRED TO AS THE UNION), AND THE GREAT ATLANTIC & PACIFIC TEA CO., EASTERN DIVISION (HEREINAFTER REFERRED TO AS THE COMPANY)

Whereas the union asserted that it represents a majority of the employees in the grocery, dairy, and produce departments of the company's supermarkets and service stores in

(1) the company's Brooklyn unit,

(2) the company's Garden City unit, and

(3) the company's Bronx unit (excluding supermarkets and service stores located in Connecticut)

and accordingly demanded recognition as collective bargaining agent for such employees in each of said three units, and

Whereas the company then advised the union that such recognition would be granted only if the union substantiated its claim of majority representation by a certification from the National Labor Relations Board, and

Whereas the union then notified the company that it would not obtain such Board certification because of the delays involved, but would demonstrate its majority representation by a membership card count before any impartial party, and

Whereas the union further notified the company that in the absence of immediate agreement to such membership card count the union would exert economic pressure and sanctions against the company: Now, therefore, it is agreed that:

A membership card count will be conducted by Hon. Joseph E. O'Grady (hereinafter referred to as the arbitrator) on October 10, 1952, at a time and location mutually agreeable to the parties.

Upon tallying the signed membership cards of employees in the above-mentioned three units and comparing such cards with the company's payrolls for such units and the employees signatures thereon, the arbitrator shall immediately certify the results of the card count on the forms annexed hereto.

In the event of any dispute with respect to the card count, such as matters pertaining to eligibility of employees, validity of membership cards, etc., such dispute will be taken up by the arbitrator, Arnold Cohen, Esq., as representative of the union, and Burton A. Zorn, Esq., as representative of the company. If such persons cannot agree, then the determination of the arbitrator shall be decisive and binding.

THE GREAT ATLANTIC & PACIFIC TEA Co.
By BURTON A. ZORN, Attorney.

BUTCHERS DISTRICT COUNCIL OF NEW
YORK AND NEW JERSEY, AFFILIATED
WITH THE AMALGAMATED MEAT CUT-
TERS AND BUTCHER WORKMEN OF
NORTH AMERICA, A. F. L., ACTING ON
BEHALF OF ITS MEMBER LOCALS 324,
400, AND 489.

By ARNOLD COHEN, Attorney.

NEW YORK, N. Y., October 9, 1952

Mr. KENNEDY. This stipulation says:

A membership card count will be conducted by Hon. Joseph E. O'Grady on October 10, 1952, at a time and location mutually agreeable to the parties.

When was the card count conducted?

Mr. ZORN. The card count actually was conducted on October 9 and 10, as I recall it. It was a 2-day job.

Mr. KENNEDY. The records of Mr. Lester Block show that he was working on the wording of the stipulation on October 10. This was a day after the card count had started.

Mr. ZORN. Mr. Kennedy, my own records indicate on these timesheets—and I think that the Senator should know what the timesheets are as we write them—we frequently don't put down what we do in particular situations until some time later, when we are busy.

The purpose of timesheets is for the purpose of billing clients. I am reasonably certain we worked out the first rough draft of this stipulation in the conference I had with Arnold Cohen on October 9, which was the date of his telegram, and I talked to him, and the strike deadline was set for Monday, the 13th.

My records, I believe, Mr. Kennedy, reflect the fact that the stipulation was prepared on the 9th. If Mr. Lester Block's time record shows it was the 10th, I think he was in error.

Mr. KENNEDY. When did you submit it to Mr. O'Grady?

MR. ZORN. To the best of my recollection, my record shows it was submitted on the ninth. But we had talked to Mr. O'Grady on the eighth.

MR. KENNEDY. Mr. O'Grady will be a witness, but he indicates, at least to us, that the stipulation did not arrive in his hands until the 10th, the day after the card count began, and, of course, Lester Block, and there have been statements made about Mr. Block before this, was working for you, and he says he was working on the stipulation during that period of time.

MR. ZORN. Mr. Kennedy, that could have happened. All I am saying is that Mr. O'Grady was made fully familiar with what our agreement was on October 8, before he started it.

MR. KENNEDY. Why did you say the card count was going to occur on October 9 and 10, instead of just the 10th?

MR. ZORN. Frankly, I don't know.

MR. KENNEDY. What about the 1956 stipulation? Did you draw that up?

Everything is funny, Mr. Zorn.

MR. ZORN. No. That is very funny. If you will listen, I will tell you why it is funny. No, I didn't. I will tell you why.

At that point, Mr. Ratcliffe was telling us that the company was complaining about our legal bills, so he was going to become a lawyer and handle things on his own. We did not draft that stipulation.

MR. KENNEDY. I am talking about the part-time card count. Did you draft that?

MR. ZORN. To the best of my knowledge, our office did not prepare that particular stipulation. French Ratcliffe adapted that from the earlier stipulations.

MR. KENNEDY. The one in 1956 you did not?

MR. ZORN. To the best of my knowledge, we did not.

MR. KENNEDY. Did you have any discussion with Mr. Cohen regarding the wording of the stipulation?

MR. ZORN. The 1956 stipulation on the part-timers' card count?

MR. KENNEDY. Yes.

MR. ZORN. As I recall it, Mr. Kennedy, I didn't personally participate in that situation at all. My partner, Mr. Lichtenstein, may have had some; I don't know.

MR. KENNEDY. This is of particular interest on what occurred in 1952. We have a letter from Mr. Max Block, signed by Arnold Cohen, who was the attorney for the Meat Cutters, dated May 19, 1956, which, of course, this witness cannot identify. But I would like to read some parts of it here and then ask a question based on it.

THE CHAIRMAN. You can ask him questions based on the letter, if you have it. You can introduce the letter later?

MR. KENNEDY. That is right.

THE CHAIRMAN. All right. When you have a witness—

MR. KENNEDY. In fact, Mr. May can identify the letter as coming from the records of the Meat Cutters.

THE CHAIRMAN. Well, we will get another witness. You may read from it and interrogate the witness about it.

MR. MAY. The letter is dated May 19, 1956, and reads as follows:

DEAR MAX: I received a copy of the proposed stipulation and agreement for a card check. After receiving this stipulation, I immediately called Bert Zorn

and informed him that the stipulation mailed to me differed from the stipulation drafted in his office.

The change is one of substance and not interpretation, and I indicated to him that I would discuss this matter with you and advise you that the stipulation should be signed as drafted in his office and not with the proposed change.

There are contained in the letter three unrelated paragraphs, not pertinent paragraphs. Then it reads:

The stipulation for the card check is similar to the one drawn in 1952 when we had the previous card check. I informed Bert that now that we are the certified collective bargaining agent, I do not believe that it is necessary to recite matters referred to, such as the union demand for recognition for part-time workers who work 10 hours or more, and the company's insistence upon recognition after a National Labor Relations Board election, and, further, that the union refused a Board certification because of the delays involved and demanded a card check, and in the absence of such an agreement to a card check the union would exert economic pressure.

I informed Bert that these recitals are unnecessary, and that we should merely say we notified management that we represent a majority of the part-time employees working 10 hours a week or more; that we request bargaining on their behalf; and that the company requested proof of representation and both parties agree that such proof should be substantiated by a card check conducted by an impartial third party.

After this letter was dictated and typed I received a telephone call from Bert in which he agreed that the position I took on the stipulation was a proper one.

He also agreed that the stipulation providing for checkoff of part-time workers should be modified and to eliminate any recital that the union would exert economic pressure and sanctions against the company if they would not agree to the card check.

With this modification, I believe the union can sign the stipulation for the card check.

Very truly yours,

ARNOLD COHEN.

Mr. ZORN. Mr. Kennedy, I may be in error. I was speaking from recollection, and not having looked at that for a long time. There were, as I recall it, two separate stipulations involved in that situation. One was dealing with checkoff and some other matters, as I recall it now, though if I had it I would be more accurate, and dealing with store hours.

My recollection still is, subject to checking my records, that the initial stipulation with respect to the card count was probably not prepared by our office but was submitted to the union by Ratcliffe and then in turn Arnold Cohen called me. That is my best recollection, sir.

Mr. KENNEDY. It would indicate in the stipulation, from this letter, not only that it was prepared in your office—that is clear from the letter—but the second part is that you were reciting matters in the stipulation as were recited back in the card count in 1952 which just were not true, and that Mr. Cohen pointed this out to you, that it wasn't necessary to put all of these things in the stipulation.

How can you possibly explain that?

Mr. ZORN. Only this way, Mr. Kennedy, that I have no personal recollection, and I am fairly certain that I personally did not prepare that stipulation. It could have been handled by somebody else in the office, but I was under the impression that it had originally been submitted by French Ratcliffe. But I personally was not involved in that transaction, except to the extent of Arnold Cohen's telephone call to me.

Mr. KENNEDY. Well, it will speak for itself. Do you know Mr. Block very well yourself, Mr. Zorn? Have you ever represented Mr. Block? After the 1952 card count did you represent Mr. Block?

Mr. ZORN. Max or Louis Block?

Mr. KENNEDY. Max or Louis Block.

Mr. ZORN. I have never represented Max Block. Somewhere in 1955, I think, I was asked by Louis Block to represent him in an investigation which was then being conducted by the State insurance department regarding welfare funds.

As a matter of good will, I appeared for him, I think, during 1 or 2 interviews during that investigation.

Mr. KENNEDY. Good will for whom?

Mr. ZORN. For the company.

Mr. KENNEDY. You didn't charge him?

Mr. ZORN. To the best of my recollection, I didn't charge him a nickel.

Mr. KENNEDY. That was 1954?

Mr. ZORN. I don't remember the exact year.

Mr. KENNEDY. You were representing the A. & P. Co. at the time?

Mr. ZORN. That is correct.

Mr. KENNEDY. I just have this one letter I want to ask about, Mr. Chairman.

The CHAIRMAN. The Chair hands you a photostatic copy of a letter dated November 11, 1952, apparently written by you to Amalgamated Meat Cutters and Butchers. Will you examine it and state if you identify it?

(A document was handed to the witness.)

Mr. ZORN. Yes; that is a photostatic copy of a document given to the committee from our office files.

The CHAIRMAN. The letter may be read into the record.

Mr. MAY. The letter is dated November 11, 1952, directed to local 400, Meat Cutters, attention of Mr. Albert De Prospero, the president.

In connection with contract executed today between your organization and the Great Atlantic & Pacific Tea Co., covering the meat department employees in the stores of the Bronx unit of the company, it is understood that this agreement is subject to ratification by the membership of your organization.

The company understands that such ratification meeting will be held some time within the next week, and this contract will not become effective unless and until it is ratified by the membership.

Very truly yours,

BURTON A. ZORN.

Mr. KENNEDY. This letter is dated November 11, 1952.

Mr. ZORN. Yes, sir.

Mr. KENNEDY. What is the explanation of this letter?

Mr. ZORN. When your committee asked me about it, I couldn't recall any explanation for it, because the contract was signed on October 11, and there was no contract signed November 11. I have tried to check with the company people on what the possible occasion for that letter could be, and I frankly, honestly, don't know.

Mr. KENNEDY. Why were you asking for ratification of that contract in the meat department and not the clerks' contract?

Mr. ZORN. If you want me to speculate on the thing, I will. I just have no memory in the sense that I don't know what that was related to, Mr. Kennedy, because we didn't have a November 11 contract. The contracts were both dated October 11.

Mr. KENNEDY. Did you make ratification a condition in the grocery clerks' contract?

Mr. ZORN. We did not.

Mr. KENNEDY. Let me ask you this: Could this letter have been dictated on the date of the contract and then not typed until the 11th?

Mr. ZORN. No, sir; because that letter is on my office stationery and the contract was signed, Mr. Chairman, negotiated and signed, on October 11, at the Tea Co.'s offices. So I quite honestly, as I told the investigators, just have no memory of why that letter was written or for what purpose.

(At this point, Senator Goldwater left the hearing room.)

The CHAIRMAN. What would be the reason for insisting on ratification of the contract with the meatcutters who already had a contract, this being a new contract that had been negotiated, and not having ratification by the membership of the clerks who were being brought in?

Mr. ZORN. As I said to Mr. Kennedy, Mr. Chairman, I can only speculate, and my speculation on that is that first, as I stated, we did not make either the butchers' contracts, the series of them, or the clerks' contracts, subject to ratification. We didn't do it formally in the contract.

But now, on this one, the only speculation I can give you, and it is pure speculation, is that I might have had a call from one of the Bronx union officials in connection with some meeting they were having, and this I don't know but I am speculating, saying "We are having some difficulty in having this contract ratified, and I would like a letter from you saying if it is not ratified it is off."

I think that is probably the only explanation that comes to my mind.

The CHAIRMAN. In neither contract did you require ratification, in the contract proper?

Mr. ZORN. We did not.

The CHAIRMAN. This was something outside——

Mr. ZORN. This is a special situation of some kind.

The CHAIRMAN. You don't have any idea what it was?

Mr. ZORN. Except for my speculation.

The CHAIRMAN. I cannot understand how that would not be important or a condition with a union you had been contracting with, where the employees already had a contract with them over a period of years, and this was just a renewal or negotiation of a new contract, to require ratification of that, and not require ratification of a new one, where you are bringing in a complete new group, the clerks, into the union.

Mr. ZORN. I think, Senator, what I say in speculation is probably what happened, though I don't recall it. I think local 400, in the Bronx unit, was apparently having some difficulty in getting the butchers' contract ratified and they wanted a letter to the effect that if it wasn't ratified, it was off.

The CHAIRMAN. The committee will stand in recess until 2 o'clock. (Whereupon, at 12:25 p. m., the committee recessed to reconvene at 2 p. m., the same day.)

(Members of the committee present at the taking of the recess were Senators McClellan and Church.)

AFTERNOON SESSION

(At the reconvening of the session the following members were present: Senators McClellan and Church.)

The CHAIRMAN. The committee will come to order. Call the next witness.

Do you want to recall Mr. Zorn?

Mr. KENNEDY. I believe there are questions from some of the members.

TESTIMONY OF BURTON A. ZORN—Resumed

The CHAIRMAN. Senator Church, have you any questions?

Senator CHURCH. Mr. Zorn, you, in your law practice, have dealt with labor law in the matter of management and labor relations for a period of years, have you not?

Mr. ZORN. Yes, sir.

Senator CHURCH. We had testimony earlier in the hearings with regard to the efforts that were being made by Local 1500, the Retail Clerks Union, to organize a certain division of the A. & P. stores. You recall that, do you?

Mr. ZORN. Yes, sir.

Senator CHURCH. In the spring of 1952 we had testimony to the effect that an election was held, one of a kind that had been held in the stores before, but that in this election the unions involved, including the Retail Clerks Union, made a rather substantial showing, a much more substantial showing than the unions had theretofore made in such elections.

Do you recall that?

Mr. ZORN. That, sir—I assume you are referring to the March Bronx unit election; yes, sir.

Senator CHURCH. In the Bronx unit; yes, sir.

Mr. ZORN. Yes, sir.

Senator CHURCH. Following that election, charges were filed with the NLRB by the Retail Clerks Union, is that correct, charging improper practices in the election?

Mr. ZORN. I don't recall objections to the March Bronx election. You may be right. I do recall very vividly the objections that were filed in the Brooklyn election which was held in January 1952.

Senator CHURCH. In any event there were proceedings that involved this election before the NLRB during the ensuing months, during the spring and summer months of 1952?

Mr. ZORN. In respect to Brooklyn local 1500 and 474 election, yes, but I don't believe, sir, that there were any charges filed in the Bronx or that there were any proceedings pending with respect to the Bronx unit election of March 1952.

Senator CHURCH. As a result of these proceedings at a later date, another election was held in the Bronx unit, as a result of which the NLRB certified local 1500 as the bargaining agent for the clerks, is that correct?

Mr. ZORN. To correct the record, sir, I think you are referring to the Brooklyn election, not the Bronx election. The Brooklyn election which was originally held in January 1952.

Senator CHURCH. Following that, ultimately, the NLRB, on the basis of a subsequent election, designated the local 1500 as the bargaining agent?

Mr. ZORN. That, as I recall it, was in, I think, March 1953. I may be in error on the month. I have a chronology here. No, it was in February of 1953, sir.

Senator CHURCH. In the late summer and fall, in August of 1952, these proceedings were before the NLRB, and the A. & P. Co., in the area concerned, was faced with a situation in which at least two unions other than the Meat Cutters were attempting to gain recognition as the bargaining agent for the clerks, and they were attempting to gain this recognition through legal proceedings pursuant to Federal law before the NLRB, is that correct?

Mr. ZORN. Not entirely, according to my best recollection. We had pending an appeal from the regional board, from the regional directors dismissal of local 1500's objections in the Brooklyn situation, and, to the best of my recollection, there were no proceedings pending involving the Bronx situation at that time.

Senator CHURCH. But generally what I have said is substantially correct, that you had these two unions seeking recognition and you had proceedings then pending before the NLRB?

Mr. ZORN. We had one proceeding pending in the sense that there was an appeal from the regional director's dismissal.

Senator CHURCH. In such a situation, it seems to me, as I have listened to this testimony, that for the Meat Cutters, who were not parties to this proceeding, to become the bargaining agent for the clerks in place of either of the other unions who were involved in proceedings before the NLRB, might be a little difficult to do. The one way that apparently was open was a course of action of the kind that was covered in the memorandum that our counsel Mr. Kennedy dwelt on at some length this morning. In other words, in order for the Meat Cutters to be recognized in the place of either of these other unions that were involved in proceedings before the NLRB, it would be necessary, under the law, for them to demonstrate that they had the support of a clear majority of the workers; is that not correct?

Mr. ZORN. Yes. They would have to have a majority, demonstrate a majority.

Senator CHURCH. So the only way that they could become the bargaining agent, and thus the only way that the company could recognize them as such, would be on the basis of a card count that could establish the fact that the majority of the clerks had, in fact, designated them as their bargaining agent?

Mr. ZORN. That was my advice, sir.

Senator CHURCH. That was your advice?

Mr. ZORN. Yes, sir.

Senator CHURCH. So the very assumptions of fact that are included in this memorandum represented the one legal course of action that the company could take, or, let me say, the one legal course of action available to both the Meat Cutters' Union on the one hand and the company on the other, to end up with the Meat Cutters as the bargaining agent rather than either of these other two unions that were involved in the proceedings before the NLRB?

Mr. ZORN. May I correct one thing, Senator?

Senator CHURCH. Surely.

Mr. ZORN. That memorandum is not addressed to the problem of the validity or legality of a card count. I think as I explained earlier I did not need any research on that, because I was pretty well satisfied that that was all right.

Senator CHURCH. That was not entailed in my question. I recognize that. But, you see, I practiced law for a number of years, and this memorandum, to me, in the context of the situation, suggests just one thing: It suggests a company which is faced with a proceeding before the NLRB, and what appears to be a bona fide attempt on the part of two unions to organize the clerks, that would like to know how to proceed in order to get another union in and recognized as the bargaining agent for these clerks, and wants to know how to proceed in such a way as to avoid the legal pitfalls that might otherwise confront them.

I just can't see any other reason for such a memorandum to have been prepared at that time, nor for such assumptions to have been made the bases of that memorandum. In other words, it suggests to me very clearly that the company was looking for a legal way to proceed in order that it might recognize a union that was not presently involved in proceedings before the NLRB. This, to me, suggests an effort to find a way to circumvent proceedings that ultimately resulted in an official designation by the NLRB of local 1500 as the bargaining agent for the employees in at least one sector of your operations.

That is just part of this whole picture. It seems to me to be an effort, a knowledgeable effort on the part of management as well as the Meat Cutters Union, to come to terms with one another.

I realize I am giving you my opinion of the situation.

Mr. ZORN. Would you like me to answer that, sir? I would be happy to.

Senator CHURCH. Surely.

Mr. ZORN. The situation that I was confronted with, as I think I explained this morning, was at that particular time, in August of 1952, information I had received was that there was the possibility that the butchers might strike for recognition.

I didn't need, Senator Church, because I have been in the field for a long time, to have research conducted on what the company's legal rights were, because I had been through that year after year, and I knew that the company could not stop a strike, and I so advised them.

Therefore, the course of research was in connection with 1 of 2 alternatives: Either the company could have taken the strike or it could have found a legal way to meet this situation.

That was the purpose of the memorandum.

Senator CHURCH. I think, Mr. Chairman, that when the end result is looked to, we ought not to lose sight of the fact that the clear beneficiaries of the final arrangement, the company on the one hand and the Meat Cutters on the other, and the employees involved did not even know the terms of the contract that had been signed, but in addition to the employees, there were other clearly established victims of the operation. One of those was local 1500, and another was the other CIO union that was involved in proceedings before the NLRB, attempting to, through legal channels, win recognition as the bargaining agent for these very same employees.

I have no further questions.

Mr. ZORN. Thank you, sir.

The CHAIRMAN. Are there any further questions?

Mr. KENNEDY. Yes, Mr. Chairman.

I believe you stated this morning that you recognized that at least some of the company representatives had assisted the organizers of the clerks in getting the employees to sign the cards?

Mr. ZORN. Yes, Mr. Kennedy. You have a memorandum from my file, which I think is in the handwriting of Lester Block, some time, I don't recall the date, well after October, in which he points out, and I think it is in evidence here, that he had been informed, I think the language was, that many managers—I forget the exact language—were assisting in getting cards, I think, on October 7 and 8.

Mr. KENNEDY. I think it is pointed out in this memorandum of October 25, that such assistance in circumstances such as this would make a contract illegal?

Mr. ZORN. Yes, sir.

Mr. KENNEDY. Would you say now that the contract that was signed between the A. & P. Co. and the Meat Cutters on October 11, 1952, was an illegal contract?

Mr. ZORN. I think, Mr. Kennedy, that would depend on the extent of the coercion and assistance, and I have no personal knowledge. All I can say to you is that the contract, after extended labor board investigations and proceedings was, in fact, validated.

Mr. KENNEDY. Let us go back then. You did state, and you have information in your files, that the company representatives assisted the union in having individuals sign these cards?

Mr. ZORN. Just that memorandum, yes.

Mr. KENNEDY. You got that, and then you had this contract which was signed at the same time there was an appeal to the National Labor Relations Board.

Now, these two facts in and of themselves, in accordance with this memorandum of August 25, and with your own testimony, makes that contract of October 11, an illegal contract, does it not?

Mr. ZORN. Well, I didn't know anything about this prior to signing the contract.

Mr. KENNEDY. I am not saying you were responsible for it. I am saying as you sit here now at this time, that what occurred makes this contract an illegal contract?

Mr. ZORN. No, sir; I wouldn't say that, because if we had gone into an extended litigation, I think the questions would have been to what extent these managers acted pursuant to company instructions and policy or to what extent they acted on their own. I don't know.

The CHAIRMAN. Would it make any difference whether they acted on their own or under company instructions since they were representing the company?

Mr. ZORN. I think it would make only this difference, Mr. Chairman, that it would also depend very largely on the extent as to whether it was in fact coercion or whether it was something less than coercion. Those are complicated legal questions.

Mr. KENNEDY. It is not very complicated up to this time. You have answered the questions very freely and then when I asked you whether the contract was illegal you start backing down on it.

Mr. Block has in his memorandum of August 25, 1952—

It should be noted, however, that actively assisting one of the rival unions or entering into a collective bargaining contract while a proceeding is pending before the Labor Board constitutes illegal interference under the act.

It is very clear.

Mr. ZORN. Mr. Kennedy, I can't argue with you about that.

Mr. KENNEDY. You admitted it all up to now.

Mr. ZORN. That is right. All I am saying to you is that that would be subject to litigation as to the extent of actual coercion. We never litigated that question.

Mr. KENNEDY. In the vast experience that you stated that you have had, would you say that this contract as it was signed on October 11, 1952, in view of the facts that have been developed before this committee and in view of the facts that you have been aware of independently, would you say this was an illegal contract?

Mr. ZORN. No, sir; I wouldn't, without a lot more information than I now have.

The CHAIRMAN. The question resolves itself, as I see it, upon the testimony that we have heard, and assuming that testimony to be true, and if those facts are established, then it would be an illegal contract.

Mr. ZORN. If all of those facts were established, sir, I think it would be.

The CHAIRMAN. If we just accepted the testimony we have had about it as true, then I think there would be no question but what it would be an illegal contract.

Mr. ZORN. I think you are probably right.

The CHAIRMAN. For you to say it is, without knowing what might be offered to refute the testimony before us, you might hesitate to say it, but assuming that testimony before us is true, it would be an illegal contract. I think you would agree to that.

Mr. ZORN. If all of that testimony were true, I think that you are right.

The CHAIRMAN. Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Casale.

The CHAIRMAN. Is Mr. Casale here? The witness does not seem to be present. We will be at ease for a moment to see if we can find the witness.

(A brief recess was taken.)

The CHAIRMAN. We will proceed.

Mr. KENNEDY. Mr. Andrew De Santis.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DE SANTIS. I do.

TESTIMONY OF ANDREW DE SANTIS

The CHAIRMAN. State your name, and your place of residence, and your business or occupation, please.

Mr. DE SANTIS. Andrew De Santis, 6225 Broadway, office manager for a well-known New York firm of attorneys.

The CHAIRMAN. Thank you very much.

Do you waive counsel or are you a lawyer?

Mr. DE SANTIS. No, sir; I am not.

The CHAIRMAN. Do you waive counsel?

Mr. DE SANTIS. Yes, sir.

Mr. KENNEDY. Mr. De Santis, you participated in a card count in 1952?

Mr. DE SANTIS. I did.

Mr. KENNEDY. And you were retained to do that work by whom, sir?

Mr. DE SANTIS. By Mr. Joseph E. O'Grady.

Mr. KENNEDY. Were you working with Mr. O'Grady at the time in question?

Mr. DE SANTIS. He was a partner of the firm at the time that I was one of the employees of.

Mr. KENNEDY. What was the name of it?

Mr. DE SANTIS. Goldwater & Flynn.

Mr. KENNEDY. When did he speak to you about helping in the card count?

Mr. DE SANTIS. I believe it was about 5 p. m., on the evening of Wednesday, October 8.

Mr. KENNEDY. When was the card count to start?

Mr. DE SANTIS. On the morning of October 9.

Mr. KENNEDY. Where did the card count take place?

Mr. DE SANTIS. The card count took place, I believe it was at 420 Lexington Avenue, in the executive offices of the A. & P.

Mr. KENNEDY. What time did you arrive?

Mr. DE SANTIS. I arrived there about 9:20 or thereabouts.

Mr. KENNEDY. About 9:20?

Mr. DE SANTIS. Yes, sir.

Mr. KENNEDY. What did you do when you got there?

Mr. DE SANTIS. Well, I believe they had a private elevator leading to the executive offices, and as I stepped out I walked toward the entrance to the executive offices themselves, and at that point Mr. O'Grady was walking out with one of the employees, I believe, of the A. & P. Co., with some boxes or cards wrapped around with an elastic band.

Mr. KENNEDY. Once you started in the card count, what did you do? What function did you perform?

Mr. DE SANTIS. Well, my function was more or less mechanical. I had cards which I believed were the union cards before me.

Mr. KENNEDY. What were you supposed to do with the union cards?

Mr. DE SANTIS. To the best of my recollection, I believe Mr. O'Grady would call out a name, and I would try to find a corresponding card in the batch I had.

Mr. KENNEDY. You would have to look through the cards to find it?

Mr. DE SANTIS. That is right.

Mr. KENNEDY. What was he reading from?

Mr. DE SANTIS. I do not know. He had a set of cards, I believe, and they were employee cards of the A. and P., I assume, sir.

Mr. KENNEDY. Would you look at this.

The CHAIRMAN. I present to you exhibit 2 before the committee, and ask you to examine it and state if you recognize it as one of the cards or the form of cards that you were counting?

Mr. DE SANTIS. Yes; I believe that this is one of the cards.

The CHAIRMAN. You believe that is a photostatic copy of it?

Mr. DE SANTIS. Yes, sir, a photostatic copy of it.

Mr. KENNEDY. Do you know what he was reading from?

Mr. DE SANTIS. I do not.

Mr. KENNEDY. He would just read out names and then you would look for one?

Mr. DE SANTIS. I would try to find the corresponding card, to the best of my recollection.

Mr. KENNEDY. What would you do?

Mr. DE SANTIS. I would turn the card over to him.

Mr. KENNEDY. Would the card be marked, or would it be marked on the list?

Mr. DE SANTIS. I don't believe that he marked the card, and now I don't know, and he made some notations on some yellow foolscap pads which he had before him.

Mr. KENNEDY. Would you compare the signatures on the cards?

Mr. DE SANTIS. I compared nothing, and I just handed him the card and he looked at the card, and some he retained in a batch on his side of the table and the others he handed back to me.

Mr. KENNEDY. Do you know if he ever looked at the signatures on the cards?

Mr. DE SANTIS. I don't know what he was looking for.

Mr. KENNEDY. How long would it take you to look at a card through this method?

Mr. DE SANTIS. I have no idea.

Mr. KENNEDY. How many cards could you do in a minute?

Mr. DE SANTIS. I have no idea of knowing that, Mr. Kennedy.

Mr. KENNEDY. Did you receive any instructions that you were supposed to look at cards or compare the signatures of the cards?

Mr. DE SANTIS. To the best of my recollection, no.

Mr. KENNEDY. And as far as you were personally concerned, you never compared any of the signatures on the cards?

Mr. DE SANTIS. No, sir; I did not.

Mr. KENNEDY. How long did you stay there that day?

Mr. DE SANTIS. We started, I would say, about 9:30 or thereabouts, and I was there until close to 1 o'clock, when we recessed for lunch, and we got back a little before 2, and I continued until about 2 to 6.

Mr. KENNEDY. Just going through the same procedure?

Mr. DE SANTIS. The same mechanical procedure.

Mr. KENNEDY. You don't know how many cards you went through then?

Mr. DE SANTIS. I don't recall, and I have no idea how many cards I went through, nor do I have any idea how many cards I had before me.

Mr. KENNEDY. Did you come back the next day?

Mr. DE SANTIS. I did.

Mr. KENNEDY. What time did you arrive?

Mr. DE SANTIS. At about the same time.

Mr. KENNEDY. And you worked until what time?

Mr. DE SANTIS. Until a little before 1, when we went out to lunch.

Mr. KENNEDY. And you went out for lunch for an hour?

Mr. DE SANTIS. Well, approximately an hour.

Mr. KENNEDY. And then you came back and started to work again?

Mr. DE SANTIS. And I stayed until about 20 to 6 again.

Mr. KENNEDY. And you stayed until about 20 of 6?

Mr. DE SANTIS. Yes, sir.

Mr. KENNEDY. Had all of the cards been processed by that time?

Mr. DE SANTIS. Which night are you talking about? Friday night, no, the cards had not all been processed at that time, and there were some left in the box, a small batch were still left.

Mr. KENNEDY. How many were left?

Mr. DE SANTIS. I have no idea.

Mr. KENNEDY. You wouldn't leave before the job was finished would you?

Mr. DE SANTIS. I had to leave because it happened to be my wedding anniversary and I had to get home on time.

The CHAIRMAN. You had a good excuse.

Mr. DE SANTIS. Thank you.

Mr. KENNEDY. Did you figure they were almost all finished, though?

Mr. DE SANTIS. Yes; I would say for Mr. O'Grady to do the job alone, it would have taken him maybe another hour.

Mr. KENNEDY. You at least felt that your work had all been completed?

Mr. DE SANTIS. That is right, with the time limitation that I had.

Mr. KENNEDY. Were there any additional cards submitted after you began your card count?

Mr. DE SANTIS. I believe that on the second day, about 11 o'clock, there was a rap on the door, because we were in a sort of a conference room, just the two of us, and they had one of these frosted windows in the door, and Mr. O'Grady answered the rap on the door, and he came back with another batch of cards.

Mr. KENNEDY. What time was that?

Mr. DE SANTIS. I would say that that was about 10:30 or quarter of 11, or it may have been 11 o'clock.

Mr. KENNEDY. That is the first day or the second day?

Mr. DE SANTIS. The second day, to the best of my recollection.

Mr. KENNEDY. Do you know where those cards came from, what area?

Mr. DE SANTIS. No.

Mr. KENNEDY. Did you know actually what you were doing in this whole matter?

Mr. DE SANTIS. No, sir; I did not.

Mr. KENNEDY. You were completely confused?

Mr. DE SANTIS. I was just a machine that could read a name, that is all.

Mr. KENNEDY. Did you know what your function was at all?

Mr. DE SANTIS. Just that, to find the card corresponding to the name that Mr. O'Grady had called out.

Mr. KENNEDY. You didn't receive any written instructions as to what procedure you were to follow?

Mr. DE SANTIS. I assumed Mr. O'Grady knew what procedure to follow.

Mr. KENNEDY. Did you ever see the stipulation as to what procedure you were to follow?

Mr. DE SANTIS. No; I did not.

Mr. KENNEDY. Do you know if that ever came to your office?

Mr. DE SANTIS. Which stipulation are you referring to?

Mr. KENNEDY. The stipulation which gave the instructions as to how the card count was to be conducted?

Mr. DE SANTIS. I never saw it, and I don't know if it came to the office or not.

Mr. KENNEDY. Now, the stipulation states that the comparison of signatures should be made. You never compared any signatures?

Mr. DE SANTIS. I did not, but Mr. O'Grady, as I said, held the card sufficiently long enough to be able to look at the signature, if necessary. I assume that that is what he was doing, and I don't know.

Mr. KENNEDY. How long, then, would it take you to process some of these cards, and how many cards would you process in an hour, for instance?

Mr. DE SANTIS. I have no idea, Mr. Kennedy.

Mr. KENNEDY. Do you know anything about what you were doing there?

Mr. DE SANTIS. No, sir; I do not.

Mr. KENNEDY. This was a complete mystery when you were there, and it is a complete mystery now?

Mr. DE SANTIS. The only function that I thought I was performing was cutting down the time element for Mr. O'Grady to complete the job, and that is all.

Mr. KENNEDY. Did you get paid for this work?

Mr. DE SANTIS. Mr. O'Grady did pay me.

Mr. KENNEDY. How much did you get?

Mr. DE SANTIS. \$100.

Mr. KENNEDY. For the 2 days' work?

Mr. DE SANTIS. Well, I don't know whether it was for the days' work or not or just because I was helping him cut down his own time.

Mr. KENNEDY. Did you know what it was for, why you were checking cards?

Mr. DE SANTIS. On the afternoon of the second day, Mr. O'Grady said that the job had to be completed because of the fact that there was a possibility of a strike the following morning, which was a Saturday morning.

Mr. KENNEDY. Had you ever done any work like this before?

Mr. DE SANTIS. I never did any before that, and I haven't done any since.

Mr. KENNEDY. When we discussed this with you before, you summarized your work on this matter by saying, "I didn't know what the hell I was doing"?

Mr. DE SANTIS. That is it exactly.

Mr. KENNEDY. O. K.

The CHAIRMAN. Are there any questions?

Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Casale.

Mr. KAMINSKY. Mr. Chairman, may I say I am the attorney for Mr. Casale, and my name is George Kaminsky, K-a-m-i-n-s-k-y, 200 West 57th Street, New York, and Mr. Casale is on his way over here by taxi from the Statler Hotel, and he should be here within 5 minutes. I am sorry about this.

The CHAIRMAN. Would you just have a seat then.

The committee will be in recess for 5 minutes.

(A brief recess was taken.)

(After the recess, the following members were present: Senators McClellan and Church.)

The CHAIRMAN. The committee will come to order.

Do you solemnly swear the evidence you shall give before the Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CASALE. I do.

TESTIMONY OF WILLIAM CASALE, ACCOMPANIED BY COUNSEL GEORGE KAMINSKY

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. CASALE. William Casale, 1 Cherrywood Lane, Port Washington, Long Island, N. Y., secretary-treasurer of the Amalgamated Meat Cutters and Retail Food Store Employees of Greater New York, Local 342.

The CHAIRMAN. Counsel, will you identify yourself for the record, please?

Mr. KAMINSKY. The name is George Kaminsky, 200 West 57th Street, New York 19, N. Y.

The CHAIRMAN. All right, Mr. Counsel.

Mr. KENNEDY. You are secretary-treasurer of local 342?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. And you have held that position for how long?

Mr. CASALE. Since August 7, 1940.

Mr. KENNEDY. You have been elected to that position, have you?

Mr. CASALE. I have.

Mr. KENNEDY. And you have had opposition during that period of time?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. When were you last elected?

Mr. CASALE. In December 1956.

Mr. KENNEDY. Do you receive a salary?

Mr. CASALE. I do.

Mr. KENNEDY. How much? What is your salary?

Mr. CASALE. \$355 a week.

Mr. KENNEDY. \$355 a week?

Mr. CASALE. That is right, sir.

Mr. KENNEDY. What about expenses?

Mr. CASALE. No expenses.

Mr. KENNEDY. Do you ever receive any money other than \$355 a week?

Mr. CASALE. No, sir.

Mr. KENNEDY. Just that?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. Do you receive an automobile?

Mr. CASALE. To use?

Mr. KENNEDY. Yes.

Mr. CASALE. Yes.

Mr. KENNEDY. What kind of an automobile do you have now?

Mr. CASALE. Buick.

Mr. KENNEDY. When did you receive that?

Mr. CASALE. Last year.

Mr. KENNEDY. And your responsibilities as secretary-treasurer are what? To sign the checks?

Mr. CASALE. Sign checks, run the office.

Mr. KENNEDY. Do you keep the books?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. You were secretary-treasurer when this card count was held back in 1952?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. And did you participate actively in that card count?

Mr. CASALE. To what extent?

Mr. KENNEDY. Did you keep the cards?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. You were in charge of the cards?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. Where were they kept?

Mr. CASALE. In the office.

Mr. KENNEDY. In a box?

Mr. CASALE. In the file.

Mr. KENNEDY. In the file. Did Mr. Block or anybody else know about the cards and where they were kept?

Mr. CASALE. I can't truthfully say.

Mr. KENNEDY. What about your secretary? What was her name at the time?

Mr. CASALE. Miss Hassler.

Mr. KENNEDY. Did she know about the cards?

Mr. CASALE. She knew where they were, sure.

Mr. KENNEDY. When these cards were being collected, you would keep them, and then when the card count was held did you bring those cards down and deliver them to Mr. O'Grady?

Mr. CASALE. I don't remember handing them to Mr. O'Grady. I delivered them to an office on Lexington Avenue, in New York City.

Mr. KENNEDY. To whom?

Mr. CASALE. I don't know to whom. I delivered them——

Mr. KENNEDY. You brought them to an office?

Mr. CASALE. Yes.

Mr. KENNEDY. Whose office was it?

Mr. CASALE. I don't recall what floor I went up to, but I was met by someone at the information desk, and they took me into a room which was locked. They opened the door and I put them on the table that was in that room.

Mr. KENNEDY. At whose instructions did you bring them up to that room?

Mr. CASALE. I believe Mr. Block's.

Mr. KENNEDY. What was the address that you brought them to?

Mr. CASALE. I don't know the address, but it is the Graybar Building, on Lexington Avenue.

Mr. KENNEDY. That is where the A. & P. has their offices?

Mr. CASALE. The A. & P. offices.

Mr. KENNEDY. So you were to bring them to the A. & P. offices; were you not?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. The card count, I understand, was held October 9 and 10. When did you make delivery of the cards?

Mr. CASALE. Early in the morning.

Mr. KENNEDY. Of October 9?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. Did you make any deliveries after that?

Mr. CASALE. No, sir.

Mr. KENNEDY. That was the last delivery you made?

Mr. CASALE. That was the last delivery I made.

Mr. KENNEDY. Do you know of any other deliveries made to the Graybar Building?

Mr. CASALE. I do not.

Mr. KENNEDY. Did you instruct anybody else to bring any other cards up?

Mr. CASALE. No, sir.

Mr. KENNEDY. You would know about any other cards?

Mr. CASALE. I would, from my office, yes.

Mr. KENNEDY. Do you know if any cards were brought from any other office?

Mr. CASALE. This I can't say.

Mr. KENNEDY. Well, do you know?

Mr. CASALE. No, I don't know.

Mr. KENNEDY. You don't know of any.

Nobody informed you that any other cards were being brought up?

Mr. CASALE. No, sir.

Mr. KENNEDY. And you didn't instruct anybody to bring any other cards up?

Mr. CASALE. I did not.

Mr. KENNEDY. Were any of the names on the cards forged on?

Mr. CASALE. Pardon?

Mr. KENNEDY. Were any of the names on the cards that you delivered to the Graybar Building—were any of the names forged?

Mr. CASALE. Not that I know of, sir. Not to my knowledge, sir.

Mr. KENNEDY. Not to your knowledge?

Mr. CASALE. No, sir.

Mr. KENNEDY. Did you give instructions to anyone to fill out these cards with the names of employees of the A. & P. Co.?

Mr. CASALE. I did not.

Mr. KENNEDY. Do you know if any of these cards that the employees of your union filled out, these cards with the names of A. & P. employees, so that they could be furnished to the A. & P. Co.?

Mr. CASALE. Would you repeat that, Mr. Kennedy, please?

Mr. KENNEDY. Are you aware of the fact that any of the employees of the Meat Cutters filled out these cards, forging the names of the individual employees of the A. & P. Co.?

Mr. CASALE. What do you mean, employees in the stores?

Mr. KENNEDY. I am asking whether any of the employees of your union, any of the business agents of the Butchers' Union, filled in these cards with the names of the employees of the A. & P.?

Mr. CASALE. I wasn't aware of that; no.

Mr. KENNEDY. Do you know if that ever occurred?

Mr. CASALE. Not to my knowledge.

Mr. KENNEDY. And you did not give any instructions?

Mr. CASALE. I certainly did not.

Mr. KENNEDY. You don't know of any false or fictitious cards?

Mr. CASALE. No, sir.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. Let me see if I understand you. You are the one that had the cards in custody; they were in your control and under your supervision from the time they were delivered to the union?

Mr. CASALE. That is right; they were in the file.

The CHAIRMAN. In other words, when the cards came in from the people who signed them up, they were turned over to you?

Mr. CASALE. And they were filed away in the general file in the general office; that is right.

The CHAIRMAN. And you kept control of them?

Mr. CASALE. You could say that; yes, sir.

The CHAIRMAN. Well, they were under your jurisdiction.

Mr. CASALE. Under my jurisdiction.

The CHAIRMAN. I don't mean you held them in your hands all the time, but you had them under your control, and you were custodian of the cards as they came in from the people who signed them up.

Mr. CASALE. That is right, sir.

The CHAIRMAN. And when you delivered the cards that morning to the office where you say you delivered them, did you deliver all of the cards that had come to you up to that time?

Mr. CASALE. I did, sir.

The CHAIRMAN. Did any more cards come to you after that first delivery?

Mr. CASALE. After that first delivery?

The CHAIRMAN. Yes.

Mr. CASALE. I don't know what you mean.

The CHAIRMAN. You delivered all that you had?

Mr. CASALE. All that I had; yes.

The CHAIRMAN. Did any more come to you for delivery?

Mr. CASALE. I don't recollect. I don't remember.

The CHAIRMAN. You know whether you made a second delivery or not?

Mr. CASALE. I did not.

The CHAIRMAN. You made no second delivery?

Mr. CASALE. I certainly did not.

The CHAIRMAN. At the time the card count started, you delivered all the cards that had come into your possession?

Mr. CASALE. At that particular time; yes, sir.

The CHAIRMAN. No others came to you during the period of the card count, as I understand you?

Mr. CASALE. No, sir.

The CHAIRMAN. So, if there were other cards delivered, other than those that you delivered, you know nothing about them?

Mr. CASALE. I do not.

The CHAIRMAN. And you made no second delivery?

Mr. CASALE. I did not.

The CHAIRMAN. And you had no cards with which to make a second delivery?

Mr. CASALE. That is right, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. I have a couple of last questions. The union had some organizing drives with the King Kullen stores; is that right?

Mr. CASALE. I believe at one time they did.

Mr. KENNEDY. About this same period of time, and, also, the Killner stores?

Mr. CASALE. Yes, sir.

Mr. KENNEDY. Did you know of any fictitious or false cards that were made up in connection with the King Kullen stores?

Mr. CASALE. No, sir.

Mr. KENNEDY. Did you give any instructions that false or fictitious cards be made up in connection with the King Kullen stores' drive?

Mr. CASALE. I certainly did not, sir.

Mr. KENNEDY. As far as the Killner stores are concerned, did you know of any fictitious or false cards with reference to the Killner cards?

Mr. CASALE. No, sir.

Mr. KENNEDY. Did you instruct anyone to make up false or fictitious cards with respect to the Killner stores?

Mr. CASALE. I did not, sir.

The CHAIRMAN. All right. Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, this witness, Mr. Casale, will be recalled at a later time. We will need him back at some time.

The CHAIRMAN. I understand that counsel desires to recall you for further testimony, so you are not permanently excused.

Mr. KAMINSKY. Will that be today?

Mr. KENNEDY. I do not know, but some time.

Mr. KAMINSKY. I would like to know whether the witness is free to go back to New York or to stay over.

Mr. KENNEDY. I think he had better stay over.

Fred Cornelius.

The CHAIRMAN. Mr. Cornelius.

You do solemnly swear the testimony you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. CORNELIUS. I do.

TESTIMONY OF FRED CORNELIUS

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. CORNELIUS. My name is Fred Cornelius. I live at 22 Harkin Lane, Hicksville, N. Y. I am a bakery-route salesman—

The CHAIRMAN. You are a bakery salesman now?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. You waive counsel, do you?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. All right; Mr. Kennedy.

Mr. KENNEDY. Mr. Cornelius, you have known Mr. Max Block since 1938?

Mr. CORNELIUS. That is true.

Mr. KENNEDY. And he appointed you, or was responsible for your appointment, as a business agent of local 342 in early 1941; is that right?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. And you were subsequently elected a business agent?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. And you remained in that capacity until 1946?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You left the union in 1946; is that right?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You went into various businesses after that period of time?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Then, as I understand it, you met Mr. William Casale, who was secretary-treasurer of local 342, in 1950?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. And he suggested at that time that you return to the local?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. And that you help in the organizing of the A. & P. butchers; is that right?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Did you then return and help and assist in the organization of the butchers?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You were assigned to cover the company stores in the Brooklyn area?

Mr. CORNELIUS. Brooklyn and Garden City.

Mr. KENNEDY. During that period of time, after 1950, you attempted to get these cards signed; is that right?

Mr. CORNELIUS. The grocery clerks; yes.

Mr. KENNEDY. The grocery clerks after 1950?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Did you meet with much success during the period 1950, 1951, early 1952?

Mr. CORNELIUS. It wasn't too bad. We received a couple hundred cards in the mail.

Mr. KENNEDY. Then you had some conversations with Max Block?

Mr. CORNELIUS. Yes, sir. He didn't know anything about it.

Mr. KENNEDY. And he emphasized to you that he was also interested in trying to get these employees organized?

Mr. CORNELIUS. That is right.

The CHAIRMAN. We are talking about the clerks now?

Mr. CORNELIUS. The clerks.

Mr. KENNEDY. The clerks. Did he intensify or request an intensification or order an intensification of the drive to organize the clerks in 1952?

Mr. CORNELIUS. In 1952, yes, sir. That was after the election with local 1500.

Mr. KENNEDY. And he ordered an intensification of the drive?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Did you get the butchers in the various stores to help and assist in obtaining the cards?

Mr. CORNELIUS. Well, I did that before the election with local 1500. I was the only business agent in the A. & P. Tea Co. at the time taking care of butchers, and I was not allowed to talk to grocery clerks at the time, so I gave the cards to butchers, and they gave them to them on the side. The cards were self-mailing cards.

The postage was paid in the union office. They would just drop them in the mailbox, and we got them in the office. Then he ordered the campaign stopped because Mr. Kennedy, of local 1500, claimed jurisdiction over the clerks, and Mr. Block ordered us to stop working on clerks until after the election, and then he intensified the drive again.

Mr. KENNEDY. Did you have success in 1953 trying to get these cards signed?

Mr. CORNELIUS. Not as good as in 1951.

Mr. KENNEDY. So, what did you decide to do, or what was decided to be done?

Mr. CORNELIUS. Well, toward August, we were ordered to go out and get names, if we could not get the cards to get the names, and bring the names into the office. In other words, there are various ways of doing that. You can get them from the butchers, or you can get them off timecards in A. & P. stores. Each employee has a time-card with his name on it. So, we just jot down a couple of names in each store and bring them into the office.

Mr. KENNEDY. What would be the point of getting the names? If you couldn't get the signatures, why would you be getting the names of people?

Mr. CORNELIUS. Then the names were put onto application cards in the union office.

The CHAIRMAN. Do you mean now that you just got names and turned them in to the union office and then someone there supplied the signature?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. You know that to be a fact?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. And that is the way a number of cards were obtained?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. Then they did not have the signatures of the parties whose name appeared on them?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. Was that a pretty extensive practice?

Mr. CORNELIUS. Well, I know of a few hundred cards like that.

The CHAIRMAN. You know of a few hundred like that?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. All right; Mr. Kennedy.

Mr. KENNEDY. Did you, personally, participate in writing these cards, transferring the names that you brought in to the cards?

Mr. CORNELIUS. Yes, sir. Everyone in the office participated.

Mr. KENNEDY. What office was this?

Mr. CORNELIUS. In the union office.

Mr. KENNEDY. This is local 342's office?

Mr. CORNELIUS. Local 342; that is right.

Mr. KENNEDY. Everybody in the office would participate in signing the cards?

Mr. CORNELIUS. Filling them out and signing them; yes, sir.

Mr. KENNEDY. Who instructed you to do that?

Mr. CORNELIUS. Local 342 is a two-man organization. Max Block is the big boss, and Billy Casale is his second in command. Everybody else does what they tell them to. Casale was the one that directly told us. That is the business agent.

Mr. KENNEDY. To fill out these fictitious and false cards?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. Is that the same man who testified here a few moments ago?

Mr. CORNELIUS. That is right.

The CHAIRMAN. You said all those in the office, the union office, participated. Was that so that the signatures would be different?

Mr. CORNELIUS. Yes, sir. The signatures were written backhand and left-handed and every other which way so that they would appear different.

The CHAIRMAN. That was an effort to conceal them?

Mr. CORNELIUS. That is right.

The CHAIRMAN. And that occurred on several hundred cards?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. And you participated in it?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. What was the purpose; to build up a big card count?

Mr. CORNELIUS. Well, they had a card count. They wanted to win it.

The CHAIRMAN. They wanted to win a card count?

Mr. CORNELIUS. That is right.

The CHAIRMAN. This went on just before the cards were delivered over there for counting? How long had this gone on, this practice?

Mr. CORNELIUS. For a few weeks before.

The CHAIRMAN. For a few weeks before?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. As you could get names, if you could not get them to sign, or whether you tried or not, you simply transferred the names and wrote them on a card?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. And that became a vote, in effect, from that person, who was not consulted, who had no knowledge of it, that became his vote to get in the Meat Cutters' Union?

Mr. CORNELIUS. That is right.

The CHAIRMAN. All right.

Mr. Kennedy?

Mr. KENNEDY. We have had, of course, Mr. Chairman, the testimony of Mr. Woisin, who testified several days ago, that he was instructed, also, to go out and get the names off the timecards, and he said that he delivered a number of these to the Butchers' Union. So, that supports the testimony of this witness.

When you were signing these cards, did you, also write them upside down and with your left hand?

Mr. CORNELIUS. Any way that they would look different; some with pencils, some with pen.

The CHAIRMAN. Some with what?

Mr. CORNELIUS. Some with pencil and some with pen.

Mr. KENNEDY. What about the information that you had to put on the cards, as far as the addresses of the employees and the social security?

Mr. CORNELIUS. Well, that took a lot of doing. We didn't know their address; we didn't know their social security number; so, we put down anything.

Mr. KENNEDY. You just made those up?

Mr. CORNELIUS. Just made sure it wasn't a fictitious address. I mean that the house stood where the number was that we gave.

Mr. KENNEDY. You made up the address, but you just made sure that there was an address?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. And you had a purely fictitious social-security number?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You say that this was all directed by Mr. Casale, himself?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. And this took place just within the few weeks prior to the card count?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. How many cards like this did you fill out, personally?

Mr. CORNELIUS. Approximately 50.

Mr. KENNEDY. How many of you were there working on it?

Mr. CORNELIUS. There were a number of girls in the office, and all the business agents; about 6 or 7 at the time.

Mr. KENNEDY. Was there any way of keeping the fictitious cards apart from the real cards?

Mr. CORNELIUS. Well, I did not know the way they were kept apart, but I overheard a conversation between Miss Hassler and Mr. Casale regarding some sort of a mark which was put on them.

But, in the confusion, I don't know whether they knew which were fictitious and which were not.

Mr. KENNEDY. But, at least from the conversation that you overheard, it was indicated that they were able to tell them apart, but you don't know how it was done; is that right?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. The filling out of these cards; did that end after the card count began on October 9 and 10?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Did you fill out any cards on October 10?

Mr. CORNELIUS. On October 10 we were in the office in the afternoon, still filling out cards, and there was a telephone call that came. I don't know who it was from, but after that there was renewed activity in the office to get as many cards as possible filled out.

Mr. KENNEDY. Do you mean there was an intensive drive on the afternoon of October 10, after the card count had been going on a day and a half, to get some more cards signed?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. So, a number of you were signing cards then?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. In the same manner you described?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Was Mr. Casale there at that time?

Mr. CORNELIUS. Yes, sir. I was filling them out at his desk, alongside of him.

Mr. KENNEDY. Mr. Casale just testified before the committee that he knows nothing about this.

Mr. CORNELIUS. I testify that he does.

Mr. KENNEDY. Under oath?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. What did you do with those cards that you filled out on October 10?

Mr. CORNELIUS. That evening, Mr. Casale and I—I drove Mr. Casale over to 50th Street in New York. We parked at a parking lot on 50th Street. We went over to the Berkeley Hotel and saw Mr. Block.

Mr. KENNEDY. What is at the Berkeley Hotel?

Mr. CORNELIUS. Mr. Block had a suite there.

Mr. KENNEDY. Is that across the street from the Black Angus Restaurant?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. He keeps a suite there, doesn't he?

Mr. CORNELIUS. Well, he did at that time. I don't know what he does now.

Mr. KENNEDY. It is the Beverly Hotel, is it not?

Mr. CORNELIUS. The Beverly; that is right.

Mr. KENNEDY. Do you know if the union paid the bill on that hotel suite?

Mr. CORNELIUS. I would not know.

Mr. KENNEDY. Did you go in the hotel?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Describe what happened.

Mr. CORNELIUS. We sent upstairs and Mr. Casale spoke to Mr. Block. I didn't hear the conversation. We had a shoebox almost full of cards. I would say it held maybe 400 or 450 cards. He had a conversation with Mr. Block, and directly after that we took them over to the Graybar Building, Mr. Casale went upstairs and I waited for him downstairs. When he came back, he did not have the box any more.

Mr. KENNEDY. Were these cards that he brought over there phony cards?

Mr. CORNELIUS. Every single one of them.

Mr. KENNEDY. And they were delivered the evening of October 10?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. About what time were they delivered?

Mr. CORNELIUS. Well, it was still late when I left Jamaica to go into New York. It took me approximately 40 or 45 minutes to get over there. So it was still late. I don't recollect the time. I would say about 7 or 7:30, something like that.

Mr. KENNEDY. What did you do that evening? Did you learn of the results of the card count that evening?

Mr. CORNELIUS. No, sir, I went back to my car and went home.

Mr. KENNEDY. Did you learn that they had been successful in the card count the following day?

Mr. CORNELIUS. I had no doubt of it, so I didn't worry too much about it.

The CHAIRMAN. You what?

Mr. CORNELIUS. I had no doubt that they would be successful.

Mr. KENNEDY. He had no doubt that they would be successful.

Were there any steps taken then to replace the phony cards that had been used with legitimate cards after the card count had taken place?

Mr. CORNELIUS. Yes, sir. After the card count had taken place, all the agents were put on to the A. & P. to go out and get applications, legitimate applications, signed by the employees. That was an intensive drive for a couple of days. Those cards were used to replace any phony ones that they had.

Mr. KENNEDY. Did the company assist you in that drive?

Mr. CORNELIUS. We had no trouble getting them signed up.

Mr. KENNEDY. Did you go to the stores?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Were you assisted by any of the company personnel at that time?

Mr. CORNELIUS. Well, people were sent into the back room for us, and they just signed the cards like sheep. It was never so easy to get applications.

Senator CHURCH. That had never been your experience in your previous contacts with these employees, had it?

Mr. CORNELIUS. No, sir. Usually it is a pretty hard job to get people to sign an application. But this was a new experience, to say the least.

Senator CHURCH. The attitude was very different? They just came in and signed up, is that it?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Did you do any of the work over in New Jersey?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. This was after the contract had been signed October 11, 1952, in New York, and there was still no contract for New Jersey. What was the situation there?

Mr. CORNELIUS. Well, one morning all the business agents from local 342 were sent over to Mr. Kaplan's office in Jersey, and we were all assigned a different territory, to go out and get applications from the A. & P. workers. It was explained to us that the way had been paved. All we had to do was go in and the people would sign them. That is the way it turned out.

The CHAIRMAN. The way had been paved?

Mr. CORNELIUS. Yes, sir. I didn't even have to talk in Jersey. The people were sent back to me and I just handed out cards and they signed them.

Mr. KENNEDY. Who introduced you? Who made the arrangements once you got over there?

Mr. CORNELIUS. Well, I myself traveled alone.

I had the east shore of New Jersey. All I did was introduce myself to the manager of the store and then things started popping. He sent people back and kept me in continuous supply of personnel to sign cards. It went over very fast and very thorough.

Mr. KENNEDY. What would you say to the employee when he came back?

Mr. CORNELIUS. I don't remember anybody asking me anything. They just took the cards and signed them.

Mr. KENNEDY. They were all sent back there by the management?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. So the way was completely paved for you, is that right?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You were talking about these fictitious cards. Have you, in any other cases that the Meat Cutters, the Butchers were interested in, known of any other instances where fictitious or phony cards were used?

Mr. CORNELIUS. Yes, sir. They were used in the King Kullen and——

Mr. KENNEDY. King Kullen?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. What is the other store?

Mr. CORNELIUS. Kollner.

Mr. KENNEDY. Kollner?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Did you participate in that also?

Mr. CORNELIUS. I may have filled out a couple. I don't recollect.

Mr. KENNEDY. How did you know that fictitious cards were used in those cases?

Mr. CORNELIUS. Well, I saw them being filled out.

Mr. KENNEDY. In both cases, both situations?

Mr. CORNELIUS. That was one operation. They had sort of a company union.

Mr. KENNEDY. What do you mean by that?

Mr. CORNELIUS. I mean the 2 outfits were together in 1 union.

Mr. KENNEDY. They had one union servicing both?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. And the Meat Cutters were trying to replace this union; is that right?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Do you know if Mr. Casale knew of the filling out of these cards in these cases?

Mr. CORNELIUS. There is nothing in that office that happened that Mr. Casale and Mr. Block didn't know personally.

Mr. KENNEDY. Do you know personally that Mr. Casale knew?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. How do you know that?

Mr. CORNELIUS. Because, as I said, there is nothing that happens—the cards were filled out in front of him.

Mr. KENNEDY. Do you know whether he filled out any cards himself?

Mr. CORNELIUS. In Kollner, I don't know.

Mr. KENNEDY. But they were filled out in front of him; is that right?

Mr. CORNELIUS. Yes.

Mr. KENNEDY. That is all on this particular subject. I am going to another subject.

The CHAIRMAN. Have you any questions, Senator Church?

Senator CHURCH. No. I think this testimony has been very lucid. I have no questions.

Mr. KENNEDY. Did you know during this period of time any strike threat that was being given to the A. & P. stores?

Mr. CORNELIUS. Are you talking about the time of the card count?

Mr. KENNEDY. Yes.

Mr. CORNELIUS. No, sir. That is part of their imagination. We could not have pulled a strike of the Grocery Clerks at that time anyhow, and the A. & P. knew that as well as we did.

Mr. KENNEDY. You never discussed it?

You never discussed the strike threat? It was never discussed with you, that you were to strike?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. There was never a general discussion among the business agents that you were going to strike the A. & P. stores?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. You say you could not have struck them successfully at that time?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. Why?

Mr. CORNELIUS. Because we didn't have the people. If we had the people we wouldn't have had to make out fictitious cards.

Mr. KENNEDY. You mean they wouldn't have paid any attention to the strike?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Going on to a different subject, did you have anything to do with the pension fund, the welfare fund?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Were you working on the welfare fund in 1953?

Mr. CORNELIUS. Yes, sir. In 1953, I believe it was, for about 5 or 6 months.

Mr. KENNEDY. Was Mr. Zeitler, who was Mr. Block's son-in-law, a member of the union at that time?

Mr. CORNELIUS. No, sir. He never has been, as far as I know.

Mr. KENNEDY. Did he receive any of the benefits from the welfare fund?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. When was that? 1954?

Mr. CORNELIUS. That was the time his first child was born. He received, I think, \$50 for the hospital and \$50 for the doctor.

Mr. KENNEDY. And that was out of the welfare fund?

Mr. CORNELIUS. The welfare funds of the union.

Mr. KENNEDY. And he was not part of the welfare fund?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Not a member of the union?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Did you protest about it?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. To whom?

Mr. CORNELIUS. To Mr. Casale. He was in charge of welfare.

Mr. KENNEDY. What did he say?

Mr. CORNELIUS. He just signed the application, and put it through, and Mr. Zeitler got his check, as far as I know.

Mr. KENNEDY. We have had some testimony before the committee which briefly touched on some annuities for the Blocks. Are you familiar with that?

Mr. CORNELIUS. A little bit, sir.

Mr. KENNEDY. When did you first learn about these?

Mr. CORNELIUS. I first learned about it by accident. We had a section meeting of my section, and Mr. Casale read off the minutes of the executive board meeting to have them accepted. Of course, they were accepted as read. Then he was talking to the membership about something else, and he laid his paper down that contained the mention of the pension fund for Mr. Block and for himself. I scanned over the paper and I come across this. I had heard rumors of it before, but nothing concrete. Here it was in the minutes. But he had never read it to the membership.

Mr. KENNEDY. What was it that was in the minutes, the fact that Block and Casale and several others were to receive pensions from the union?

Mr. CORNELIUS. As far as I remember, it was just Block and Casale.

Mr. KENNEDY. Block and Casale were to receive pensions from the union?

Mr. CORNELIUS. That is right, from 342.

Mr. KENNEDY. And this was contained in the minutes?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. But yet when Mr. Casale read the minutes to the membership, this section dealing with the approval of the pension for Block and Casale was not read to the membership?

Mr. CORNELIUS. No. He conveniently forgot to read that.

Mr. KENNEDY. That part was skipped over?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. So the membership never knew of it?

Mr. CORNELIUS. No, sir; but they approved it.

Mr. KENNEDY. But they never knew about it?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Do you know how much Max Block was to receive?

Mr. CORNELIUS. No. I don't remember, sir. It was a substantial amount.

Mr. KENNEDY. Mr. Chairman, if I could call Mr. George Martin, he could put the figures in on this subject.

The CHAIRMAN. Do you solemnly swear the testimony you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MARTIN. I do.

TESTIMONY OF GEORGE H. MARTIN

The CHAIRMAN. Mr. Martin, state your name, your place of residence, and your present occupation.

Mr. MARTIN. George H. Martin, 1 Thurston Avenue, Trenton, N. J. Present occupation is investigator for this committee.

The CHAIRMAN. What is your previous experience?

Mr. MARTIN. I have been employed by congressional committees since 1950.

The CHAIRMAN. In what capacity? Are you an accountant?

Mr. MARTIN. No, an investigator.

The CHAIRMAN. As an investigator. Have you made an investigation of this matter with respect to the minutes of this local, local 342?

Mr. MARTIN. I have.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. I would first like to find out, Mr. Martin, whether you or someone under your direction have made a study of the books and records of local 342 and of the other locals of the Butchers to determine whether Max and Louis Block received a special pension arrangement from the Meat Cutters.

Mr. MARTIN. I personally examined the minute books of local 342 which reflect that in November of 1955, provision was made for annuities for Max Block, president, and William Casale, secretary-treasurer. The minutes reflect that the suggestion to the executive board was made by Max Block himself, and that the executive board approved the arrangement and also submitted it to the membership for ratification.

Mr. KENNEDY. What were the amounts involved?

Mr. MARTIN. The face amount of the annuity, and we later confirmed this by examination of the policies themselves, was \$70,000 in the case of Max Block, and \$50,000 in the case of Casale. The general provisions of the annuity policies would have paid Max Block \$700 per month at age 60, and would have paid Casale \$500 a month at age 60.

The minutes of local 640 reflect that a similar arrangement was made in the case of Louis Block, the face amount of the annuity being \$70,000, which would have paid \$500 a month at age 55, and in the case of Harold Lapel, secretary-treasurer, who is a brother-in-law of Louis Block, \$500 a month at age 60.

I might say in addition that at the time the annuity was voted for Louis Block he was not an officer of the union. He was a former president of Local 640, and was director of the Labor Health Institute, which is maintained by the welfare funds of the two locals.

The CHAIRMAN. Did you find what premium was paid for these annuities?

Mr. MARTIN. The premiums in the case of Local 342—

Mr. KENNEDY. Mr. Kopecky might be able to give us those figures, unless you can do it.

Mr. MARTIN. Approximately \$15,000 in the case of local 640, \$15,000 a year.

The CHAIRMAN. If you don't have the exact figures, do we have another witness?

Mr. Kopecky, will you be sworn?

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KOPECKY. I do, Mr. Chairman.

TESTIMONY OF GEORGE KOPECKY—Resumed

The CHAIRMAN. You are a member of the committee staff?

Mr. KOPECKY. Yes, sir, Mr. Chairman.

The CHAIRMAN. How long have you been with the committee?

Mr. KOPECKY. With this particular committee, since approximately February of 1957.

The CHAIRMAN. Have you examined the records of local 242 and other locals in the Meat Cutters' Union, to determine the facts regarding payment of premiums for annuities?

Mr. KOPECKY. Yes, sir.

The CHAIRMAN. All right, you may make a statement of what you found.

Mr. KOPECKY. The payments of premiums for these 4 retirement income policies began in 1955. In 1955, a total of \$31,891.80 was paid by the 2 local unions for these policies, for Max Block, William Casale, Louis Block, and Harold Lapel. Identical amounts were also paid in 1956 and 1957 for a 3-year total of \$95,675.40.

The CHAIRMAN. What is that total?

Mr. KOPECKY. That is a 3-year total for the 4 policies.

The CHAIRMAN. \$95,000?

Mr. KOPECKY. Yes, \$95,675.40. That is through 1957.

The CHAIRMAN. What fund was it paid out of?

Mr. KOPECKY. It was paid out of the general treasury.

The CHAIRMAN. Out of the general treasury, money collected from dues and initiation fees?

Mr. KOPECKY. Monthly dues and initiation fees, yes.

The CHAIRMAN. \$95,675.40?

Mr. KOPECKY. There is an anticipated annual payment in the future of approximately \$32,000 each and every year.

The CHAIRMAN. Around \$32,000 that the local will be obligated for if they keep up these annuities?

Mr. KOPECKY. That is right.

Mr. KENNEDY. Now, the individuals that received it from 342 were Max Block and William Casale?

Mr. KOPECKY. Yes, sir.

Mr. KENNEDY. And from 640, Louis Block and Harold Lapel?

Mr. KOPECKY. Yes, sir.

Mr. KENNEDY. Let me ask you this: You say Louis Block at that time was not even a member of local 640 or was not an officer of local 640?

Mr. MARTIN. He was a former president of 640 who took leave of absence from that position in 1953, and who subsequently was succeeded by Max Block, his brother, as president. Louis never returned to the union but continued to be the director of the Labor Health Institute, which is maintained by the health and welfare funds of the two locals.

Mr. KENNEDY. But he was not an officer of local 640 at the time that he received the benefit of this pension or at the time the decision to give him this pension was made?

Mr. MARTIN. He was not.

Mr. KENNEDY. How much of the funds have been paid for Louis Block alone, Mr. Kopecky?

Mr. KOPECKY. During the 3-year period that the policies have been in existence, a total of \$30,834.

Mr. KENNEDY. All right.

The CHAIRMAN. That is paid for someone not now a member of the union?

Mr. KOPECKY. Not now an officer of the union.

The CHAIRMAN. Do you know whether he is a member or not?

Mr. KOPECKY. I believe Mr. Block is still a member of the union.

The CHAIRMAN. He is just a dues-paying member and not an officer?

Mr. KOPECKY. That is correct.

The CHAIRMAN. Is there anything further?

TESTIMONY OF FRED CORNELIUS—Resumed

Mr. KENNEDY. You said it wasn't approved by the membership, but was the contract that was signed by the A. & P. on October 11, ever submitted to the membership for ratification?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. They never had a chance to go over the terms of that contract and approve it, is that right?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. Did you know what was in the contract? Did you, yourself, know the terms of it?

Mr. CORNELIUS. I only knew what I was told, and I was given a printed sheet, and that was supposed to be the contract.

The CHAIRMAN. But the rank and file membership never knew anything about it?

Mr. CORNELIUS. They knew the same as I did. They got the same printed sheet.

The CHAIRMAN. You don't know whether it was correct or not?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. But there was never a meeting where it was discussed, and where the rank and file voted to approve, to accept it?

Mr. CORNELIUS. No, sir. I know the grocery contract would never have been accepted because they had reduced the scale for men going up the scale, and they would have wound up with \$5 less than they had before the union.

The CHAIRMAN. They would have wound up with \$5 less?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. You mean less in wages?

Mr. CORNELIUS. Yes, sir. We were on what they called "progression" and they would wind up with approximately \$5 a week less than what we would have gotten if there was no union.

The CHAIRMAN. I don't understand that. I thought a union——

Mr. CORNELIUS. I couldn't understand it at the time either, but that is the way it was.

The CHAIRMAN. You mean they actually made a contract for less pay for some of the workers than they were then receiving?

Mr. CORNELIUS. Yes, sir, not what they were receiving at the time, but before the contract they had a chance to go up to that salary, and after the contract they stopped at \$5 less than what they would have gotten.

The CHAIRMAN. They didn't give them less wages, but they gave them less opportunity than they had before to increase their wages?

Mr. CORNELIUS. Yes, sir. So you couldn't expect that to be ratified.

The CHAIRMAN. This may have some bearing on it.

I hand you a photostatic copy of what I understand the union distributed to the men as being the contract agreed upon. Will you examine that and state if you recognize it.

(A document was handed to the witness.)

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. Do you recognize it?

Mr. CORNELIUS. Yes, sir.

The CHAIRMAN. What is it?

Mr. CORNELIUS. That is a copy of the grocery contract.

The CHAIRMAN. That they distributed among the membership?

Mr. CORNELIUS. Yes, sir. That clearly shows that they got less.

The CHAIRMAN. It shows right on the face of it?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. So therefore the employees were informed of this provision of the contract?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You said they wouldn't approve of the contract if they had know about this provision?

Mr. CORNELIUS. They didn't approve of it. I was in the A. & P. Stores at the time, and I caught plenty about it.

The CHAIRMAN. What is that?

Mr. CORNELIUS. I caught plenty about it from the grocery clerks, and they wanted to know how we could sign a contract like that, and I had no answer for them.

The CHAIRMAN. Well, this may be made exhibit No. 12.

(Document referred to was marked "Exhibit No. 12" for reference and may be found in the files of the Select Committee.)

Mr. KENNEDY. Now, were there any other instances that you knew of where Block or Casale left out pertinent information from the minutes when they were read to the members of the union?

Mr. CORNELIUS. I wasn't a member of the executive board, sir, so I wouldn't know.

Mr. KENNEDY. Were the members of the unions always informed as to the expenditures of money and how the money was being used?

Mr. CORNELIUS. No, sir. It was a general accounting, and nobody ever knew how the money was spent. They spent so much of it and for what nobody knew. One year they had an experience, there was \$38,000 down for cars, and they almost had a riot, and after that they omitted detailed expenditures.

Mr. KENNEDY. They read out the fact that \$38,000 had gone for automobiles, and the union members were so upset they never read that out again?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. They never read out about how much was spent for automobiles after that?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. What about the financial accounts of the union? Was that distributed to the members as it is supposed to be done under the National Labor Relations Act?

Mr. CORNELIUS. The first financial account of that union that I ever saw, and I was there for 12 years, was in December of 1956, during the campaign for reelection.

Mr. KENNEDY. Prior to that time that information wasn't distributed to members?

Mr. CORNELIUS. I never saw it.

Mr. KENNEDY. Did you know, while you were working around the union; if any of the checks were filled out in blank? Was that procedure followed?

Mr. CORNELIUS. Yes, sir, that was a general practice.

Mr. KENNEDY. Who would fill out the checks?

Mr. CORNELIUS. Mr. Bliss was the trustee of the union, and from the time that I started in the union until 1941, until the time that I left, Bliss would sit down once or twice a week and fill out 10 or 12 pages of blank checks, and Mr. Casale would use them as he saw fit. That practice continued until the time I left.

Mr. KENNEDY. What about petty cash slips? Did you ever see those filled out?

Mr. CORNELIUS. Yes, sir. During the time of the Howard Johnson strike in 1956, I went into Mr. Casale's office and we had voucher pads. If you have an unusual expense, you fill out a voucher pad, and they reimburse you. I saw three pads of vouchers with approximately 50 vouchers in each pad, that had been signed by three of the business agents, blank ones.

Mr. KENNEDY. Who were the business agents that had signed them?

Mr. CORNELIUS. Abandota, Patrecco, and Coletti.

Mr. KENNEDY. Abandota, Patrecco, and Coletti?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Did you ever speak to them about the fact that they filled out these petty cash slips in blank?

Mr. CORNELIUS. No, I don't think so.

Mr. KENNEDY. You never talked to them about it?

Mr. CORNELIUS. No.

Mr. KENNEDY. Now, you were suspended from the union yourself, were you not?

Mr. CORNELIUS. Sir?

Mr. KENNEDY. You were suspended from the union?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. When was that?

Mr. CORNELIUS. In November of 1956.

Mr. KENNEDY. What were you suspended for?

Mr. CORNELIUS. Well—

Mr. KENNEDY. What did they tell you you were suspended for, and I want to get the record straight?

Mr. CORNELIUS. They told me that I hadn't been taking care of my territory, and that people weren't getting the salaries that they were supposed to have been getting. However, I had spent the previous 6 months on the Howard Johnson strike, and someone else was taking my territory.

The people that they claimed weren't getting the salaries they were supposed to be getting were mostly the managers of the Walburn stores. It wasn't only my territory that they weren't getting their salaries, and in fact I brought it to their attention quite a few times.

Mr. Block himself knew Mr. Walburn, and so what was in the contract didn't mean anything and the people didn't get it.

Mr. KENNEDY. Did they also accuse you of trying to stir up some of the business agents against Max Block?

Mr. CORNELIUS. Yes, sir. I thought it was time Max Block got out.

Mr. KENNEDY. So that was true, that part of it?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Did you in fact work up a slate to run against Max Block in December?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Was that about the time you were suspended?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. When you were getting ready to run against him and the rest of the officers of the union; is that right?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. You were suspended?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. Did you retain the services of a lawyer to try to help you, that is Mr. Keating?

Mr. CORNELIUS. A lawyer, yes, sir.

Mr. KENNEDY. William J. Keating?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. Now, at the nomination meeting, we have had some testimony to the effect that at this nomination meeting there was some discussion about whether there would be a 1-year term for officers or a 4-year term for officers.

Mr. CORNELIUS. That is right.

Mr. KENNEDY. And at that time it was put to the vote of the membership?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. And according to the previous witness, the membership voted overwhelming for a 1-year term?

Mr. CORNELIUS. That is correct, sir.

Mr. KENNEDY. Could you tell us what happened at that meeting, as far as the 1 year and the 4 years were concerned?

Mr. CORNELIUS. Well, Mr. Schacter was in charge of the meeting, and he was vice president of the international union.

Mr. KENNEDY. Leon Schacter; is that right?

Mr. CORNELIUS. Yes; and when the question of the length of term for the new slate was brought up, he took a vote on it. First there was a show of hands and then a standing vote, and both times it was overwhelmingly in favor of a 1-year term. But Mr. Schacter thought otherwise. But there was such a riot, stamping of feet, and so forth, that he said, "Well, it will be put on the ballot," but it never appeared on the ballot.

Mr. KENNEDY. So you never got a right to vote on it?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Or a vote legitimately, after you voted it down at the meeting? It was moved out of order and didn't count and they said it would be put on the ballot and it was never put on the ballot?

Mr. CORNELIUS. No, sir.

Mr. KENNEDY. Your slate got beaten in the election?

Mr. CORNELIUS. Well, that is what they said, and I think we got robbed of it.

Mr. KENNEDY. Well, you had the Honest Ballot Association.

Mr. CORNELIUS. I found out about that.

Mr. KENNEDY. The election came out against you anyway?

Mr. CORNELIUS. That is right.

Mr. KENNEDY. After that was over, or after the election was over, did you have any difficulties with the union?

Mr. CORNELIUS. Not myself, no, sir.

Mr. KENNEDY. Did any of your family?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. What happened?

Mr. CORNELIUS. My two brothers who were also candidates for office on the slate were fired from their jobs.

Mr. KENNEDY. Where were they working?

Mr. CORNELIUS. They were working for the Hill's Super Markets on Long Island.

Mr. KENNEDY. Do you know why they were fired?

Mr. CORNELIUS. Well, the excuse was that they had spent too much time on the election.

Mr. KENNEDY. Do you know if the A. & P. Co. helped or assisted Mr. Block in any way in the election?

Mr. CORNELIUS. Yes, sir; the A. & P. Co. let shop stewards from every store, along with two or three of their friends, come to the meeting, to get into the front of the meeting, and sort of pack it. They paid them for the time.

Mr. Block got sort of a surprise when some of our candidates turned up with the people who were there.

Mr. KENNEDY. Was that a big help or would it have been a big help to let all of these people out early and pay them during the time?

Mr. CORNELIUS. It didn't turn out it was any help because we got robbed of it anyhow.

Mr. KENNEDY. Potentially it might have been?

Mr. CORNELIUS. The people were in an uproar over it, and they showed it at the nomination meeting.

Mr. KENNEDY. Are you familiar with this?

The CHAIRMAN. I hand you here what may be a campaign document, and I don't know. I will let you examine it and tell me what it is, if you can.

Mr. CORNELIUS. I have seen it here and I will identify it.

The CHAIRMAN. What is it?

Mr. CORNELIUS. It is a campaign document that was sent out by the union for their members.

The CHAIRMAN. Sent out by whom?

Mr. CORNELIUS. By the union. It was sent to every member of the union.

The CHAIRMAN. By the union officials?

Mr. CORNELIUS. Well, nobody else would have the names and addresses of all the members of the union, and I don't know exactly who sent it out, but it was sent to every member of the union.

The CHAIRMAN. It came from the local headquarters?

Mr. CORNELIUS. Evidently. There is nobody else has their names and addresses.

Mr. KENNEDY. Just before I get into this, to clarify a matter that I was just discussing with you, when the employees got out of A. & P. early and went to the meeting, who paid the employees?

Mr. CORNELIUS. A. & P.

Mr. KENNEDY. While they were at the union meeting, isn't that right?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. As a favor to Max Block?

Mr. CORNELIUS. Max Block gave them frankfurters.

Mr. KENNEDY. I am not going into the frankfurters. But on the point as to who paid them while they were at the meeting, they were paid by the A. & P. isn't that right?

Mr. CORNELIUS. Yes, sir.

Mr. KENNEDY. And according to the testimony we received yesterday, it was from a request from Max Block to Mr. Ratcliffe.

You say this was put out by the union, and I point out this statement where it says:

So who wants to wipe out Santa Clause,
and—

It is in the bag, a 40-hour week.

It says here:

Our purpose in rushing the emergency communication to your home is prompted by very serious consideration. We, a group of your fellow members, pooled our own few bucks to get this letter out to your homes. We spent all of Saturday and Sunday and Monday addressing envelopes to all of the members whose addresses we could locate.

So evidently this must have been a spontaneous committee that was operating out of the union, and they all got their money together.

Mr. CORNELIUS. No doubt.

Mr. KENNEDY. Despite the statement that union paid for it.

Mr. CORNELIUS. It didn't fool me for a minute, sir.

Mr. KENNEDY. Could I ask Mr. Kopecky, have we made any study to find out who paid for this or Mr. Martin?

TESTIMONY OF GEORGE H. MARTIN—Resumed

Mr. KENNEDY. Did you make a study to find out who paid for the literature put out, where it says:

We, a group of your fellow members, pooled our own few bucks to get this letter out to your home?

Mr. MARTIN. The files of local 342 show a bill from World-Wide Press syndicate for the circular in question, and billed to the union for \$390, and subsequently paid for by check No. 2077.

The CHAIRMAN. This document may be made Exhibit No. 13.

(Document referred to was marked "Exhibit No. 13," for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Is there anything further?

TESTIMONY OF FRED CORNELIUS—Resumed

The CHAIRMAN. The Chair has been requested to ask a question. The request comes from the counsel of the A. & P. The question is as follows:

Did you personally negotiate with any A. & P. official in 1952 on the renewal of the A. & P. Butchers' contract?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. You had no part in the negotiations for the renewal of the Butchers' contract with A. & P.?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. All right.

Are there any other questions?

Mr. KENNEDY. Did you ever hear there was a secret agreement in connection with that?

Mr. CORNELIUS. No, sir.

The CHAIRMAN. All right. Thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Cole.

The CHAIRMAN. Mr. Cole, will you be sworn, please.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. COLE. I do.

TESTIMONY OF NORMAN A. COLE

The CHAIRMAN. State your name, and your place of residence, and your business or occupation?

Mr. COLE. My name is Norman A. Cole, C-o-l-e, and I reside at 10212 Fleetwood Drive, Tampa, Fla., and I have been an examiner with the National Labor Relations Board since 1944. I am presently stationed at its region 12 located in Tampa, Fla.

Prior to February 1, 1957, I was stationed in the region 2 office, located at 2 Park Avenue, New York City.

The CHAIRMAN. All right, you waive counsel, I assume?

Mr. COLE. I do.

The CHAIRMAN. Mr. Kennedy, you may proceed.

Mr. KENNEDY. I would like to have Mr. Walter May conduct the interrogation of this witness.

The CHAIRMAN. All right, Mr. May, you may proceed.

(At this point, the following members of the committee were present: Senators McClellan and Church.)

Mr. MAY. Mr. Cole, you were associated with the New York regional office of the National Labor Relations Board for what period?

Mr. COLE. My association with the New York regional office began in September 1944, and with the exception of about 11 months during 1946 and 1947, when I was temporarily stationed in the Atlanta office, which is region 10, I continued at the New York regional office until February 1, 1957.

Mr. MAY. In connection with your duties as examiner, did you become quite familiar with card checks in connection with certain representation proceedings?

Mr. COLE. I became familiar with card checks in the sense of checking cards in connection with the submission of proof of interest in support of petitions filed.

Mr. MAY. In 1952, shortly after the A. & P. signed a contract with the Meat Cutters Union on behalf of the grocery clerks in October of that year, did Local 342 of the Meat Cutters Union bring certain petitions before the National Labor Relations Board in connection with other grocery chains?

Mr. COLE. That is correct. Under date of December 12, 1952, there were six petitions filed on the same date, all filed by Local 342 of the Amalgamated Meat Cutters, all of which were assigned to me for processing.

Mr. MAY. Those six firms were H. C. Bohack, Inc., King Kullen Grocery Co., Inc., Kollner, Inc., Mid-Island Markets, Super Market Meats, and Supreme Sunrise Food Exchanges; is that true?

Mr. COLE. That is correct.

Mr. MAY. Did the regional director then forward a communication to the union regarding these petitions?

Mr. COLE. That is correct. These petitions, when filed, were not supported by the authorization cards or applications for membership as is required under the Board's rules and regulations.

Accordingly, the telegram was dispatched to the petitioner with respect to all six petitions, bringing this to their attention and giving them a deadline for submitting such proof of interest.

Mr. MAY. After the union received this request for authorization cards, did they withdraw the cases in connection with Bohack and Super Market Meats and Supreme Sunrise?

Mr. COLE. That is correct. Those three were withdrawn and no cards were ever submitted in connection with them.

Mr. MAY. Local 342 then did submit cards in the remaining three cases?

Mr. COLE. That is correct.

Mr. MAY. What was your experience in the King Kullen case?

Mr. COLE. Well, my first observation was, upon receipt of the payroll list submitted by the employer, which lists the employees within the unit covered by the petition, was the fact that, numerically speaking, the number of cards submitted did not amount to 30 percent.

Mr. MAY. About 66 employees were involved in the particular unit?

Mr. COLE. That is correct. To the best of my recollection, there were about 66 in the King Kullen unit.

Mr. MAY. Since the union had filed an insufficient number of cards, did you request that additional cards be forwarded?

Mr. COLE. That is correct. I phoned, I believe it was, Mr. Cohen's office, Arnold Cohen, who was counsel for local 342, and I informed him of the fact that there were some cards short of the 30 percent.

At that time, I also informed him that I had noticed some discrepancies with respect to certain information as related on the cards already submitted by the union, and the information which appeared on the payroll list submitted by the employer.

At that time I did not state the exact nature of such discrepancies.

Mr. MAY. Thereafter, the union submitted additional cards?

Mr. COLE. That is right. I did tell him at that time that if the union submitted the additional cards, to bring the showing numerically, to at least 30 percent, that because of such discrepancies it would be necessary for me to make a check in connection with that phase of it.

Mr. MAY. This is a situation that occurred some 2 or 3 months after the A. & P. card count. After you closely checked the cards submitted by local 342, what did you determine?

Mr. COLE. In checking the cards, the signatures on the cards, against the names appearing on the payroll list submitted by the em-

ployer, it was ascertained that there was a variance in the social security numbers appearing with respect to the same employee; there was also a variance with respect to various addresses.

In fact, the check revealed that, as I recall, there were 15 cards submitted by the union which had a different social security number than that which appeared upon the company records which they submitted. I also recall that there were 31, I believe it was, cards which had been submitted by the union, which contained an address that was different from that given by the company on its payroll list.

Mr. MAY. However, at that time you were primarily concerned with the signatures contained on the unions cards; is that true?

Mr. COLE. That is correct. And it was the variance in the social security numbers and the variance in the addresses which first alerted me to the fact that something appeared to be amiss with the cards, and it was because of that that I deemed a further check into the authenticity of the signatures as being warranted.

Mr. MAY. In your check you found that on 60 cards submitted by the union, or for 60 cards submitted by the union, the names were contained on the company records; is that true?

Mr. COLE. That is correct. Of the cards submitted, and I don't recall the exact number of total cards submitted by the union, but of those that were submitted 60 contained a signature, the name of which also appeared on the company's payroll list. The payroll list, understand, at this point was a typewritten list. It did not contain any signatures of the employees.

I found 60 appearing on cards, and also found the same 60 appearing on this list.

Mr. MAY. Thereupon you received certain records from the company containing the signatures of the employees?

Mr. COLE. Yes. In view of the circumstances as I mentioned, the the discrepancies in the addresses, and so forth, I felt that the check was warranted, so I contacted the employer to secure the official signatures of the employees on record with the company.

Mr. MAY. Of the 60 cards submitted, how many cards contained reasonably true signatures?

Mr. COLE. The company made available to me with the W-4 withholding exemption forms which they had on file, and which contained the employees' signatures, and of these 60 cards, I found that at most 7 apparently appeared to be authentic, that is, contained authentic signatures.

Mr. MAY. Seven out of sixty?

Mr. COLE. Out of 60.

Mr. MAY. Fifty-three contained possibly fraudulent signatures?

Mr. COLE. It would appear that they were signed by somebody other than the employee involved.

Mr. MAY. That takes care of the King Kullen case.

Now, in the Kollner stores, the situation was quite similar. You eventually checked the cards, the union cards, against the company's records, and some 54 cards were checked?

Mr. COLE. That is right. In the Kollner matter, which had been scheduled for hearing previously before the Kullen investigation had been completed, in view of this development in the Kullen situation, and a contention by the intervenor as well, in the Kollner case it was

determined and decided that certain investigation was desirable there also.

Mr. MAY. Out of the 54 cards checked in the Kollner case, how many contained reasonably true signatures?

Mr. COLE. Again I checked them against signatures of the employees in the possession of the employer, and of the 54 only 7 appeared to be reasonably authentic.

Mr. MAY. Once again, 7 out of 54, and 47 contained fraudulent signatures?

Mr. COLE. That is correct.

Mr. MAY. That means there was a great difference between the signature on the union card and the company record?

Mr. COLE. That is correct. It was some difference that I couldn't conclude with any reasonable interpretation that it was signed by the same person.

Mr. MAY. In the Mid-Island Market case, that was a little different situation. Local 342 did submit cards in its petition for an election?

Mr. COLE. That is correct.

Mr. MAY. And since no normal complaint was made, and the cards appeared satisfactory on their face, that case went to an election; is that true?

Mr. COLE. That is correct. In that case, I did not have any social-security numbers or addresses on the employer list.

Mr. MAY. You had no additional data?

Mr. COLE. That is correct. And unlike in the Kollner case, there was no contention by the intervenor either that they believed that the cards submitted by local 342 to be fraudulent. Therefore, it did go to an election, a consent election.

Mr. MAY. There were some 80 employees involved in that particular unit?

Mr. COLE. Initially, the petition as filed contained approximately 80. However, frequently, when a consent election is worked out, there is some variation in the unit made.

Somebody else may contend that the unit is a little larger. The result is, I believe, that in the election there were approximately 131 eligible employees.

Mr. MAY. Local 342 submitted 40 cards at that time?

Mr. COLE. Forty cards, which were found on the company's list.

Mr. MAY. When the election was finally held, how many votes did local 342 obtain.

Mr. COLE. The results of the election revealed that there were 6 votes for the petitioner, that is, local 342, and 110 for local 1500 of the RCIA. RCIA was at that time the incumbent union and had been representing them.

Mr. MAY. It is true that local 1500 was the incumbent union in all three cases we have mentioned?

Mr. COLE. That is correct.

The CHAIRMAN. Are there any questions, Senator?

Senator CHURCH. I have just 2 or 3 questions, Mr. Chairman.

Mr. Cole, I wonder if I might question you as an expert witness just briefly. One of the purposes of this committee, as you know, is to endeavor to ascertain whether changes should be made in the existing Federal laws.

Mr. COLE. I realize that.

Senator CHURCH. Have you had a great deal of experience in making checks on card counts of the kind you have been describing?

Mr. COLE. We have a card check in connection with the showing of interest in all petitions filed by labor organizations. There is no such check, of course, where a petition is filed by the employer. In those checks, we do not, normally, make a check as to the authenticity of the signature.

Senator CHURCH. Has it often been your experience when such a check is made, that is to say of the authenticity of the cards themselves, that fraudulent cards are frequently used? Is this something that happens with any degree of frequency, in your experience, or in the experience of the NLRB?

Mr. COLE. I haven't had too many occasions myself, personally, where the issue was raised, either because of ourselves noticing something apparently amiss, or because of the other parties submitting some evidence indicating possible fraud.

For that reason, my experience is rather limited on that scope. Generally, as I say, we do not make checks unless there is some indication of it, and in those cases where I have, as a result of such information or evidence, of course, I did find that the cards in large part were not authentic.

Senator CHURCH. So unless some objection is registered by one of the parties, it is normally not the procedure of the NLRB to check the authenticity of the cards?

Mr. COLE. Unless we ourselves, in inspecting something—if something comes to our attention which would alert us to something possibly being wrong. For example, as I explained before, the variance in addresses and social-security numbers immediately alerted me that something was amiss. So that investigation was completely made on our own initiative and in no way requested or suggested by any of the parties.

On the other hand, where we don't have such information available, then we primarily compare the types of handwriting. For example, we will inspect them as to whether or not more than one card appears to have been signed by the same person.

Of course, I realize there are ways to deceive one in that respect.

Senator CHURCH. Yes; we had testimony this afternoon as to what some of those ways are.

Mr. COLE. That is right.

Senator CHURCH. I have no further questions.

Mr. COLE. If I might add, with the Board in that connection it is largely a case of economics in not checking into the authenticity of the signatures. Frequently, of course, it would be necessary, as it was in King Kullen, to go out to the company's plant to inspect these records, because they are reluctant to allow them out of their office for fear they might get lost. It comes to a question of plain economics, to a large extent.

Mr. KENNEDY. Based on your study and the results of it, there was an attempt, was there not, by the Butchers Union to perpetrate a fraud in at least two of these cases?

Mr. COLE. I don't know, of course, what was back of or in what manner these cards were signed. It is obvious that fraudulent cards were filed and somebody knew that they were fraudulent.

Mr. KENNEDY. And they were filed by the Butchers Union?

Mr. COLE. They were filed by the Butchers Union, either directly by the union or through its counsel; that is correct.

The CHAIRMAN. Is there anything further?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. O'Grady?

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. O'GRADY. I do.

TESTIMONY OF JOSEPH E. O'GRADY

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. O'GRADY. My name is Joseph E. O'Grady. I reside at 1181 Bushwick Avenue, Brooklyn, N. Y. My profession is that of an attorney.

The CHAIRMAN. Mr. O'Grady, I assume you waive counsel?

Mr. O'GRADY. I certainly do.

Mr. KENNEDY. Mr. O'Grady, you participated in the card count that was held in October 1952; did you not?

Mr. O'GRADY. I conducted it.

Mr. KENNEDY. When did you first learn that the Meat Cutters were trying to organize the A. & P. clerks?

Mr. O'GRADY. Well, when inquiry was made of me about whether I would be available to make the card count in the event they found it necessary to do so.

Mr. KENNEDY. When was that?

Mr. O'GRADY. I would say it was sometime within a week prior to the start of the count.

Mr. KENNEDY. That is the first time that you ever learned of the Meat Cutters attempting to organize the clerks?

Mr. O'GRADY. That is my best recollection; yes, sir.

Mr. KENNEDY. You say that was probably within the first week of October 1952?

Mr. O'GRADY. Yes, sir; within a week of October 9.

Mr. KENNEDY. You had not been contacted in September?

Mr. O'GRADY. No, sir; I had not.

Mr. KENNEDY. When were you told that you should get ready specifically for Friday or Thursday, October 9?

Mr. O'GRADY. Specifically I was told on October 8.

Mr. KENNEDY. October 8?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. The day before?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. Did you make yourself available?

Mr. O'GRADY. Well, they had decided on the card count and could I get started in the morning and get it finished by Friday night.

Mr. KENNEDY. Had you had conversations with them prior to that time?

Mr. O'GRADY. The only conversation I remember prior to that—well, I will say my best recollection is that someone had called me,

I thought it was Burt Zorn—to ask me if I would be available to make a count in the event they found one was necessary.

Mr. KENNEDY. Did they ask you whether you would be available at the end of the week to do it?

Mr. O'GRADY. They didn't say when.

Mr. KENNEDY. Do you mean they just called you the day before and told you to come in the following day?

Mr. O'GRADY. When the final arrangement was made on October 8; yes, sir.

Mr. KENNEDY. Prior to that, had there been some preliminary arrangements that you should make yourself available, get ready for the 9th and 10th?

Mr. O'GRADY. No, sir.

Mr. KENNEDY. They just called you on the 8th and said to come in the following day?

Mr. O'GRADY. As I said, sometime in the week prior to that I had been asked whether I would make myself available to make a count in the event they needed one. On October 8, they called me and said they needed a count, and would I start it the following morning, on the 9th.

Mr. KENNEDY. Were there any financial arrangements made with you at that time?

Mr. O'GRADY. No, sir.

Mr. KENNEDY. Was that subsequent to the card count?

Mr. O'GRADY. Yes; sometime after the card count was finished.

Mr. KENNEDY. Had you participated in any card counts prior to this time?

Mr. O'GRADY. I had never actually conducted a card count. I was familiar with card counts, but I never actually conducted one.

Mr. KENNEDY. And the card count was to take place at the A. & P. offices?

Mr. O'GRADY. That was the arrangement made over the phone on Wednesday, the 8th.

Mr. KENNEDY. When did you arrive?

Mr. O'GRADY. I think I arrived sometime between 8 and 9 o'clock on Wednesday morning.

Mr. KENNEDY. Did they tell you at that time when you arrived there, what day they wanted the card count completed by?

Mr. O'GRADY. They had told me that on Wednesday when they spoke to me on the phone.

Mr. KENNEDY. When did they say they wanted it completed by?

Mr. O'GRADY. Friday night.

Mr. KENNEDY. Who told you that?

Mr. O'GRADY. Either Burt Zorn or Burt Zorn and Arnold Cohen, because I spoke to both of them on Wednesday, the 8th.

Mr. KENNEDY. Burt Zorn was the one arranging it for the company?

Mr. O'GRADY. Yes.

Mr. KENNEDY. And Arnold Cohen was arranging it for the union?

Mr. O'GRADY. For the union.

Mr. KENNEDY. So you arrived at around 8 o'clock, did you say?

Mr. O'GRADY. Between 8 and 9. I don't remember the exact time.

Mr. KENNEDY. And you started counting the cards, did you?

Mr. O'GRADY. Yes.

Mr. KENNEDY. You had an assistant there?

Mr. O'GRADY. I had Mr. De Santis there.

Mr. KENNEDY. What were the mechanics of going through the cards?

Mr. O'GRADY. Well, I had been supplied with what I call the pay slips or time cards of the employees for 1 given week in which they had worked. They had been arranged alphabetically. I had those before me here. Alongside of that were the cards which had been furnished by the union, with the authorization or designation to represent them.

De Santis—my recollection is—most frequently, unlike his testimony today, would call from the union card, and I would check it against the company pay slip.

However, I think to relieve the monotony, it was a monotonous job, we switched once in a while.

Mr. KENNEDY. Did you check the signatures of the cards against the payroll?

Mr. O'GRADY. I checked some of the signatures, not all of them.

Mr. KENNEDY. You received some 4,300 cards. How many signatures do you think you might have compared?

Mr. O'GRADY. Well, it might have been different in different units. It is hard for me to tell you, Mr. Kennedy, exactly. But if you want me to make an approximation, I would say some place around half of the signatures in each of the units.

Mr. KENNEDY. So you probably compared about 2,000 signatures?

You stated you came at 9 o'clock in the morning and you stayed until what time on Thursday?

Mr. O'GRADY. My recollection is that De Santis went home some time—I thought he went home at the time I went out to dinner, around 7 o'clock. I went out to dinner, my recollection is, around 7 o'clock, and I came back—

Mr. KENNEDY. The first day?

Mr. O'GRADY. Yes, sure—and I came back, and I worked, according to my recollection, to some time between 10:30 and 11 o'clock.

Mr. KENNEDY. You did not indicate that to me the last time I talked to you.

Mr. O'GRADY. I don't think you asked me.

Mr. KENNEDY. I asked you how late you stayed and you were leaving earlier in the evening that time.

Mr. O'GRADY. No, sir.

Mr. KENNEDY. The first day?

Mr. O'GRADY. No, sir.

Mr. KENNEDY. You went out to dinner and then you came back?

Mr. O'GRADY. I came back after dinner.

Mr. KENNEDY. Mr. De Santis, what time did he leave?

Mr. O'GRADY. I said I thought that he left at the same time I went out to dinner. He indicated he went out earlier.

Mr. KENNEDY. Around 5:30. I think he left.

Mr. O'GRADY. 20 minutes to 6 he said, I think.

Mr. KENNEDY. And you came back the next day?

Mr. O'GRADY. Yes, the next morning.

Mr. KENNEDY. What time did you arrive the next morning?

Mr. O'GRADY. I arrived at approximately 9 o'clock or a little before.

Mr. KENNEDY. You worked until what time?

Mr. O'GRADY. Well, we went out to lunch. We came back, Mr. DeSantis left earlier, around 6 o'clock or so, and I continued on, until the job was completed some time between 10 and 12 o'clock at night.

Mr. KENNEDY. Did you receive some cards that day, on the 10th? Was a delivery made of cards?

Mr. O'GRADY. On Friday?

Mr. KENNEDY. Yes.

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. When were the deliveries made?

Mr. O'GRADY. My recollection is that there was a delivery made in the morning, and probably two other deliveries during the course of the day.

Mr. KENNEDY. Was there a delivery made in the evening?

Mr. O'GRADY. I have no recollection of that. I have been asked about that before, and I have no recollection of it.

Mr. KENNEDY. By whom were the deliveries made?

Mr. O'GRADY. I don't recall who made the delivery on Friday, but my best recollection is that on Thursday the delivery was made by Mr. Block and somebody that was with him.

Mr. KENNEDY. What about on Friday?

Mr. O'GRADY. Frankly I can't recall who made the delivery on Friday.

Mr. KENNEDY. Did Mr. Casale make the delivery?

Mr. O'GRADY. He might have, but I don't know.

Mr. KENNEDY. You say you can't recollect whether there was a delivery made on Friday evening?

Mr. O'GRADY. I cannot recall a delivery being made Friday evening. I have been asked by your investigators.

Mr. KENNEDY. When was the last delivery made?

Mr. O'GRADY. The last one as I recall was made in the afternoon, some time around 4 or 5 o'clock, and that was of the Westchester cards.

Mr. KENNEDY. How late did you stay that night?

Mr. O'GRADY. Some time between 10 and 12 o'clock I got finished.

Mr. KENNEDY. Mr. De Santis testified he felt that the cards were about finished, maybe 1 more hour's work.

Mr. O'GRADY. Maybe 1 more hour's work.

Mr. KENNEDY. If there were no cards delivered that evening, why did you have to remain until 10 or 12 o'clock?

Mr. O'GRADY. Because I had enough work to keep me busy until then. That was Mr. De Santis' estimate of the time necessary to complete it.

Mr. KENNEDY. He was mistaken?

Mr. O'GRADY. Definitely, because I had to stay until some time between 10 and 12 o'clock.

Mr. KENNEDY. How could you check over so many cards so quickly? Did you have enough time, do you think, Mr. O'Grady, to check all of these cards?

Mr. O'GRADY. I had enough time to make a spot check of signatures and to check the names against the company records.

Mr. KENNEDY. Stipulation says that you were to compare the signatures.

Mr. O'GRADY. I compared some. I did not compare them all.

Mr. KENNEDY. When did you receive the stipulation to compare the signatures?

Mr. O'GRADY. My best recollection is that the stipulation was delivered to me on Friday.

Mr. KENNEDY. Which was the 10th?

Mr. O'GRADY. The 10th.

Mr. KENNEDY. That was after you had been counting the cards for a day?

Mr. O'GRADY. That was after I counted all day Thursday and Friday.

Mr. KENNEDY. The stipulation says specifically that you are to compare the signatures.

Mr. O'GRADY. It says to compare signatures. I compared signatures. I did not compare them all. When I undertook to do the job, I assumed I was going to do the job in accordance with the customary practice of spot checking signatures.

Mr. KENNEDY. According to the testimony before the committee, there was a good deal of fraud perpetrated.

Mr. O'GRADY. I was not aware of that at the time. Nobody indicated that to me at the time I was making the count.

Mr. KENNEDY. Didn't you find that there were no company slips for a lot of the individual cards that you did go over?

Mr. O'GRADY. Well, I have given you a copy, Mr. Kennedy, or your investigators, of the tally that I made at the time, which shows the categories into which I have put the various cards.

Mr. KENNEDY. Didn't you find that, that there were no company slips?

Mr. O'GRADY. I did find in one of the units quite a large number of no company slips to match the union card.

Mr. KENNEDY. What unit was that?

Mr. O'GRADY. That was the Brooklyn unit.

Mr. KENNEDY. That is Max Block's unit himself, isn't it?

Mr. O'GRADY. 342, that is right.

Mr. KENNEDY. Mr. Chairman, I might just explain that when they go in and take the names off these time cards there would be no way to indicate whether the employee was a permanent employee or just a part-time employee.

Only the full-time employees could vote in the election.

So when the company would send in their slips, they would not be sending in any of their lists of the part time employees. But the union, if they used these fictitious names, would be listing those people on these cards. So when they were finally submitted to Mr. O'Grady, when he would go through them, he would see all of these cards where the company had no slips on them, which would indicate that the union employee, the business agent, that copied down these names, were part time employees who had no right to vote in the election, who were ineligible to vote in the election.

The CHAIRMAN. They would be ineligible, then, to petition by card, if they were not eligible to vote?

Mr. KENNEDY. That is correct.

Mr. O'Grady, in the Brooklyn unit alone there were 1,411 cards, is that right?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. And you found 270 in that unit alone that had no company slips?

Mr. O'GRADY. That is right, sir.

Mr. KENNEDY. Didn't that arouse your curiosity and interest to determine that a more thorough check should be made of the other situation as far as checking the signatures?

Mr. O'GRADY. It did not suggest it to me, sir.

Mr. KENNEDY. Then there were 94 other cards that were duplicates or questionable cards?

Mr. O'GRADY. That is right, sir.

Mr. KENNEDY. Didn't that arouse you? That was about 26 percent right there, without a comparison of the signatures.

Mr. O'GRADY. Well, to start off with, Mr. Kennedy, on no company slip, comparable company slip, to match the union card, that was a 100 percent check, so I could not have made any greater or more extensive check than that.

Mr. KENNEDY. That showed, or should have shown, it seems to me, that there was something phony that was going on when you found that out of 1,411 cards, 1 out of every 5 cards at that point had no company slips.

Mr. O'GRADY. They may have been stale cards. They may have been signed by employees at a time when they were employees and who were no longer employees, and in addition to that you also had the part time workers who were not eligible for this count. So between the 2 of them, that amounted to 270, and I turned down 270 of those cards.

Mr. KENNEDY. I would think that would have aroused you. When you turned down 1 out of every 5 cards, when you made a 100 percent check on checking the card slips, that would have aroused your curiosity and your interest, because of this responsibility that was on your shoulders, to check the signatures to find out maybe if they were phony signatures as well.

Mr. O'GRADY. I did check signatures, Mr. Kennedy. I did not check them all. I spot checked the signatures.

Mr. KENNEDY. The testimony before the committee indicates that many of the signatures were in fact phony also. If you had checked them, maybe a greater percentage, a very high percentage, even a higher percentage than this, would have been tossed out.

Mr. O'GRADY. Anything is possible, Mr. Kennedy. I can't answer that.

Mr. KENNEDY. Not only possible, but that is the testimony. According to the previous witness, Mr. Cole, based on a preliminary check that he made, he found something wrong in two of these stores and made a complete check of the signatures and found that about 90 percent of the signatures were phony.

Mr. O'GRADY. Does it follow that they were phony here?

Mr. KENNEDY. According to the testimony, it indicates a great number were phony.

Mr. O'GRADY. I don't want to argue the point with you. I don't represent the company and I don't represent the union, Mr. Kennedy. But by the same token, I heard there was testimony here that they had the cooperation there of the managers to get the cards signed. So if they were getting the cards signed with the cooperation of the managers what is there to suggest that the signatures are phony?

I am not attempting to appraise or judge the testimony which was submitted here. I was not aware of it when I made the count.

The CHAIRMAN. You said you examined and compared about half of the signatures, is that correct?

Mr. O'GRADY. Yes, sir.

The CHAIRMAN. How many did you find that were not authentic, out of the half that you compared?

Mr. O'GRADY. In the Brooklyn unit out of the 1,047 cards, actually, that I found had comparable cards with signatures, I found 94, which is roughly 9.4 percent.

The CHAIRMAN. You detected 94 of them?

Mr. O'GRADY. I questioned them. They were questionable.

The CHAIRMAN. The signature was not authentic?

Mr. O'GRADY. Well, I said questionable. I am not a handwriting expert and I did not want to pass upon whether they were forgeries or not, but I set them aside as questionable.

The CHAIRMAN. They were at least questionable?

Mr. O'GRADY. Yes, sir.

The CHAIRMAN. How many cards did you examine, a total of how many?

Mr. O'GRADY. I think around 4,300.

The CHAIRMAN. How many out of the 4,300 did you find—

Mr. O'GRADY. I found a much lower percentage in the other units, where the signatures were questionable.

Only 34 in the Garden City unit, and 15 in the New York unit. I did find in both of the other units, in the Garden City unit 145 union cards where there were no comparable company pay slips, and I found 137 in the New York unit where they had union cards but no company pay slip.

The CHAIRMAN. All right.

Mr. KENNEDY. Out of the total cards, 4,329, you found no company slips, 562, is that right?

Mr. O'GRADY. I have not added them up. I will take your arithmetic for it.

Mr. KENNEDY. All right. And the total of duplicate or other questionable cards was 143. That would be 16 percent of all the cards. In the Brooklyn unit alone, out of those 1,411 cards, 270 had no company slips, and 94 were duplicate or questionable, making a total of 26 percent, or 1 out of every 4.

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. When our investigators first interviewed you, Mr. O'Grady, when you were asked about whether you checked the signatures, you said:

Well, I didn't check 1 out of every 5 or 1 out of every 20, but I checked them periodically or occasionally as we were going along.

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. Now you are testifying before the committee that you checked 1 out of every 2?

Mr. O'GRADY. Well, I didn't put it in that fashion, Mr. Kennedy. I said it would be very hard for me to tell you how many I checked. I said if you were asking me to make some kind of an estimate, I would say about 50 percent, but I did not do it every other card or every other slip.

Mr. KENNEDY. I don't see how you can check that many cards, Mr. O'Grady. Based on the time that you spent you had to go through about 200 cards in an hour. I don't see how it would be physically possible to check signatures on that many cards.

Mr. O'GRADY. Well, I think it would have been difficult for me to have checked all of the signatures in the time allotted.

Mr. KENNEDY. You said that you and Mr. DeSantis switched positions. Mr. DeSantis testified before this committee that he never checked any cards as far as signatures were concerned.

Mr. O'GRADY. I did not say he checked signatures.

Mr. KENNEDY. If you switched positions, and you took his position and he took yours, he would be the one that had the responsibility of checking the signatures.

Mr. O'GRADY. No; he never had the responsibility of checking the signatures. That was my responsibility, and I kept it at all times. He would have a slip. He would sit alongside of me and had a union card and a company slip, and I can certainly sit here and see a signature over there from here, and compare the two of them, that way.

Mr. KENNEDY. You would be looking over his shoulder?

Mr. O'GRADY. Not over his shoulder, but right in front of us.

Mr. KENNEDY. If he started checking the card, you would have to look across and compare what he was doing and compare with the slips that you have on the other side.

Mr. O'GRADY. It only takes, Mr. Kennedy, a flash of the eye like that.

Mr. KENNEDY. You would have a lot of flashing, because you would have 200, at least, in an hour.

Mr. O'GRADY. That is right, sir.

Mr. KENNEDY. Did you check social-security numbers?

Mr. O'GRADY. Very infrequently, and only if I had a question about a particular card.

Mr. KENNEDY. Did you check addresses?

Mr. O'GRADY. No, sir; I did not.

Mr. KENNEDY. Again, it is based on the testimony about the history of this union where they were involved in these other fraudulent cards, in the two other companies. Of course, based on the testimony before this committee, this individual said he himself made up fraudulent cards, and they made up 300 or 400 of them.

Did you discuss the card count with anyone while it was taking place?

Mr. O'GRADY. Do you mean with any union representatives or any company representative?

Mr. KENNEDY. Yes.

Mr. O'GRADY. No.

Mr. KENNEDY. Did you have lunch with Mr. Zorn during October 9?

Mr. O'GRADY. I don't recall having it. I understand that he has said that he had lunch with me on Thursday, and that his record indicates that. I have told the investigators I don't have any independent recollection of having lunch with him on Thursday.

Mr. KENNEDY. Where did you deliver their cards?

Mr. O'GRADY. The Beverly Hotel, I think it was.

Mr. KENNEDY. Was that Mr. Block's suite?

Mr. O'GRADY. I didn't know it was Mr. Block's suite, but I was told that they would all be there and if I would deliver the cards there

they would appreciate it—not the cards, the results. I delivered the results to the Beverly Hotel. I don't know who had the suite. I had never been in it before.

Mr. KENNEDY. Were they surprised at the results when you told them?

Mr. O'GRADY. I didn't notice any particular surprise.

Mr. KENNEDY. Did you conduct any other card count for them?

Mr. O'GRADY. No, sir. Oh, yes, I did.

Mr. KENNEDY. Where was that?

Mr. O'GRADY. For Paterson and Newark.

Mr. KENNEDY. In New Jersey, also?

Mr. O'GRADY. That was subsequently, in November.

Mr. KENNEDY. Did you compare signatures at that time?

Mr. O'GRADY. In the same fashion.

Mr. KENNEDY. You conducted that the same way?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. Where was that one held?

Mr. O'GRADY. My recollection is it was held in my office.

Mr. KENNEDY. Who submitted the records on that?

Mr. O'GRADY. The company sent over their pay slips and the union sent over their cards.

Mr. KENNEDY. Who brought the cards over?

Mr. O'GRADY. Frankly, I don't recall.

Mr. KENNEDY. Who made the arrangements for the company?

Mr. O'GRADY. I thought it was Mr. Zorn, but apparently Ratcliffe did it instead of Mr. Zorn. But Mr. Zorn and Mr. Cohen prepared and signed the stipulation which was ultimately sent to me.

Mr. KENNEDY. You were paid for this work?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. How much were you paid?

Mr. O'GRADY. For the October counts and for the November counts I was paid \$2,800. I had charged the company \$1,500 and the union \$1,500, but the union only sent in \$1,300. They sent in checks from the different locals. So I actually received \$2,800.

Mr. KENNEDY. And you gave Mr. DeSantis \$100 out of that?

Mr. O'GRADY. Well, I did not get the \$2,800. It went into the firm account. I was a partner in a firm. The money went into the firm account. I got my partner's share of it ultimately.

The CHAIRMAN. How many hours did you spend on these two counts?

Mr. O'GRADY. Personally?

The CHAIRMAN. Yes.

Mr. O'GRADY. Approximately 50.

The CHAIRMAN. 50 hours.

That is about fifty-some-odd dollars an hour, is it not?

Mr. O'GRADY. Yes, sir.

Mr. KENNEDY. Do you think, Mr. O'Grady, that you could do a proper check in the amount of time that was allocated to you?

Mr. O'GRADY. Well, I was under pressure, there is no doubt about that, Mr. Kennedy, to get a job down by Friday night, and there were an awful lot of cards to be checked.

I think I did the best I could with the time allotted to me.

Mr. KENNEDY. Do you think you could do a complete and proper check, an accurate check, in the amount of time that was given to you?

Mr. O'GRADY. I certainly did not have time to compare all signatures and compare all information that might be on the card against all information which might be supplied by the company in that time.

The CHAIRMAN. As I understand it, or I have the impression, at least, both sides wanted the count to be favorable; is that correct?

Mr. O'GRADY. They certainly did not tell me that, sir.

The CHAIRMAN. I don't know how many card counts come along, but I would like to be a professional at that salary.

Mr. O'GRADY. I have done a lot of labor arbitration work, Mr. Senator, for nothing, too.

The CHAIRMAN. All lawyers have that experience.

Mr. O'GRADY. Therefore, when you have a client that can afford to pay the bill, you charge them.

Senator CHURCH. Mr. O'Grady, what did you understand your responsibility to be in conducting this card check?

Mr. O'GRADY. Well, to conduct what would be a normal card count. In a normal card count, according to custom, it is to check names against the company names and to spot check signatures. If there became an issue, ultimately, as to whether certain cards which were thrown out were not counted by me would be important in the final determination as to whether there was a majority or not, then I would have to have the responsibility of making the final determination on those cards.

Senator CHURCH. In other words, your responsibility was to determine on the basis of the evidence before you that a proper enrollment on these cards had in fact occurred, and that a sufficient number had in fact designated this union to be their bargaining agent?

In other words, that it was an honest and proper procedure. You understood that to be your responsibility, did you? Or am I mistaken?

Mr. O'GRADY. I don't know that I go for some of the adjectives that you have added to it.

Senator CHURCH. Then you tell me what you thought your responsibilities to be.

Mr. O'GRADY. I felt that my responsibility was to conduct what would be a normal card count where there was no controversy between the parties, and there was no charge before me of anything improper in the securing of the cards or in the signatures. The company did not question the cards and the manner in which they had been obtained, nor was I to go into any questions concerning that.

Senator CHURCH. What was the purpose of the card count?

Mr. O'GRADY. I assume it was to give the company some reasonable assurance that there was a majority of the employees designating these locals.

Senator CHURCH. And that reasonable assurance could only be given upon a reasonable examination of the cards and evidence before you, that this was an honest and not a fraudulent count?

Mr. O'GRADY. That is right. They were aware, as well as I was, and perhaps even more so, of the time factor that they allotted to me to do the job.

Senator CHURCH. Do you think with the number of cards you had to count, and with this being the need for your responsibility, that you had sufficient time to properly discharge that responsibility?

Mr. O'GRADY. I think, Mr. Senator, I must answer it the way I did before, that I think I did as thorough a job as could be done in the time that was allocated to me.

Senator CHURCH. That may be so, but did you think that you had sufficient time allocated to you to properly discharge your responsibility?

That is the question.

Mr. O'GRADY. I think so. Not having any charges filed before me or made before me that the cards were obtained under improper circumstances.

Senator CHURCH. And there was nothing from the numbers of cards that you did find to be faulty on one count or another that suggested to you that there might be any impropriety in the procedures.

Mr. O'GRADY. That is right. It is not unusual to run across in a card count some improper signatures or cards where there are not slips. I think that takes place in every card count. That in and of itself isn't sufficient reason to go to a point where you are going to insist upon a more thorough check than the one I made.

Senator CHURCH. Even where that ratio, as it did in this case, reaches a percentage as high as 26 percent?

Mr. O'GRADY. Well, that includes the cards that they submitted where there was no company pay slip. That in and of itself didn't raise any suspicion in my mind of any improper conduct. They could be stale cards and they could be cards of part-time workers.

The CHAIRMAN. Were you given the list or the number of eligible employees when you started?

Mr. O'GRADY. I was given the pay slips, sir. I have the pay slips listed on the worksheets which I supplied to your investigators according to the alphabet and number.

The CHAIRMAN. According to the paysheets, how many employees were actually eligible to participate in the card count?

Mr. O'GRADY. According to the pay slips; I have it by units, I did not add it up, but in the Garden City unit, 1,463 were eligible; in the Brooklyn unit 1,687 were eligible, and 2,562 in the New York Bronx were eligible.

The CHAIRMAN. In other words, you got the number that were eligible from the pay slips?

Mr. O'GRADY. That is right.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. Ordinarily, Mr. O'Grady, when you conduct a card count where there is some evidence or indication that there are some errors in the cards, wouldn't you conduct a more thorough investigation of the cards?

Mr. O'GRADY. Well, there was not sufficient evidence to warrant me to make any further check than what I did.

Mr. KENNEDY. When you get down to 1 out of every 4 cards has something wrong with it, isn't that sufficient evidence that you would start making a thorough check?

Mr. O'GRADY. Well, once again, Mr. Kennedy, I must say—you insist on using the phrase "something wrong with it," the 270 which you are including in your 25 percent, the only thing wrong with them was that there was no company slip for them.

Mr. KENNEDY. That is quite a bit wrong with them. These are votes being cast that have no right to be cast. That is what is wrong with them.

Mr. O'GRADY. But I did not count them.

Mr. KENNEDY. So you found something wrong. These votes were being cast and they had no right to be cast.

Mr. O'GRADY. You use the term "wrong." I don't know if there is anything wrong with it. They just did not have a company slip.

The CHAIRMAN. Is it wrong to vote an ineligible vote?

Mr. O'GRADY. I don't know that they voted that.

Mr. KENNEDY. They sent it in.

Mr. O'GRADY. Yes.

Mr. KENNEDY. And they wanted you to count it?

Mr. O'GRADY. I wouldn't say that.

Mr. KENNEDY. I don't know why they would send them in if they didn't want you to count them.

Mr. O'GRADY. They sent in all the cards they had.

Mr. KENNEDY. For purposes of being counted.

Mr. O'GRADY. That is right.

Mr. KENNEDY. When you found you had this high percentage of cards being sent in from ineligible voters, don't you think that under ordinary circumstances you would make a more complete investigation to see that there was not something wrong with the rest of the cards in other ways?

Mr. O'GRADY. No, sir.

Mr. KENNEDY. If you had not been rushed for time, Mr. O'Grady, wouldn't you have made a more complete investigation in this matter?

Mr. O'GRADY. If I had had more time, I probably would have made a more thorough investigation.

The CHAIRMAN. And if there had been a real issue between management and union, or if one had been contesting it, actually.

Mr. O'GRADY. Well, if the company had indicated to me that they were suspicious of cards——

The CHAIRMAN. The company had?

Mr. O'GRADY. I said if they had. Then, of course, I would have been on notice and I would have been more careful in scrutinizing them. Under those circumstances, I think they probably would have had to allot me more time, because I could not have done it in the time that I had.

The CHAIRMAN. If there had been a real contest, if there had been resistance on the part of the company, contending that they don't have a majority, or if they do have, there is something wrong with the cards, if there had been a real issue there, you would have felt like you would have had to have done a better job than you did, wouldn't you?

Mr. O'GRADY. There was nothing to indicate to me that I should do anything more than I did, sir.

The CHAIRMAN. I understand that. But had there been a real issue between the company, a contest between the company and the union as to whether or not they really had a majority of valid cards, then you would consider the check you made adequate, wouldn't you?

Mr. O'GRADY. Well, I should think that they had to say something more than that they wanted me to count the cards and that is all there is.

The CHAIRMAN. That is what I am saying. I can appreciate your position. The whole thing was arranged there for some purpose other than that there wasn't any real contest between the union on the one hand and between the company on the other. There was really no issue between them, was there, so far as you know?

Mr. O'GRADY. They both called me, sir, and asked me to make a card count and get it finished by Friday night. Those are the facts. You will have to draw your own conclusions.

The CHAIRMAN. Let's put it this way: Had the company said to you, "Look here, we don't think these cards are all valid. We don't believe they have a majority, and we want a careful count made," had that occurred you would have done differently than what you did, wouldn't you?

Mr. O'GRADY. I certainly would have been on notice that I had to be extremely careful in checking the cards, because something might be wrong.

The CHAIRMAN. And you did not have anything to put you on that notice under the circumstances?

Mr. O'GRADY. That is right.

Mr. KENNEDY. That is one of the reasons, is it, that you did not follow the stipulation and check all the signatures that you were instructed to do?

Mr. O'GRADY. Well, I don't regard the stipulation, which was delivered to me on Friday, sir, as instruction to compare all signatures.

Mr. KENNEDY. Let me read it to you.

Mr. O'GRADY. I know, but I started on Thursday morning. I knew I was to make a normal count. In a normal count, you spot-check signatures.

Mr. KENNEDY. You mean you did not receive the stipulation for a day and a half after you had been counting?

Mr. O'GRADY. That's right, sir.

Mr. KENNEDY. But it says specifically that the signatures are to be compared.

Mr. O'GRADY. It says that in there.

Mr. KENNEDY. And that was not done.

Mr. O'GRADY. I compared signatures, sir, but I did not compare them all. I have never made any bones about it ever since anybody has asked me about it.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. A question has been submitted by counsel for A. & P.

The CHAIRMAN. Counsel for A. & P. asks that this question be directed to you: Was there a strike deadline mentioned to you before you began your count?

Mr. O'GRADY. Yes, sir.

The CHAIRMAN. I think you already testified to that.

Mr. O'GRADY. Yes, sir.

The CHAIRMAN. All right. Is there anything further?

If not, the committee will stand in recess until 10:30 in the morning.

(Whereupon, at 4:40 p. m., the hearing was recessed, with the following members present: Senators McClellan and Church, to reconvene at 10:30 a. m., Thursday, May 22, 1958.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, MAY 22, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Carl T. Curtis, Republican, Nebraska; Senator Frank Church, Democrat, Idaho.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

(At the convening of the session, the following members were present: Senators McClellan and Church.)

The CHAIRMAN. The committee will come to order.

Mr. Kennedy, call the next witness.

Mr. KENNEDY. Mr. Thomas Gloster.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GLOSTER. I do.

TESTIMONY OF THOMAS GLOSTER, ACCOMPANIED BY COUNSEL JOHN J. SHEEHAN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. GLOSTER. Thomas Gloster, 600 West 64th Street. My place of business is 100 West 42d. I am a business agent for Local 474 of the Amalgamated Meat Cutters and Butcher Workmen of America.

The CHAIRMAN. 474?

Mr. GLOSTER. That is right, sir.

The CHAIRMAN. Do you have counsel with you?

Mr. GLOSTER. I do have.

The CHAIRMAN. Counsel, identify yourself for the record, please.

Mr. SHEEHAN. John J. Sheehan, 51 Chambers Street, New York City.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. You were a business agent for 474 in 1952?

Mr. GLOSTER. I was.

Mr. KENNEDY. What was it at that time?

Mr. GLOSTER. The National Food Chain Store Employees Union. It was affiliated with the Retail, Wholesale, and Department Store Union.

Mr. KENNEDY. CIO?

Mr. GLOSTER. CIO.

Mr. KENNEDY. Clerks, CIO, that is the short name for them?

Mr. GLOSTER. That is right.

Mr. KENNEDY. You were attempting to organize the A. & P., is that right?

Mr. GLOSTER. Yes.

Mr. KENNEDY. You were working particularly hard in the Bronx area?

Mr. GLOSTER. That is right.

Mr. KENNEDY. Then the Meat Cutters came along and signed this contract?

Mr. GLOSTER. That is right.

Mr. KENNEDY. With the A. & P. Co. on October 11, is that right?

Mr. GLOSTER. Yes, sir.

Mr. KENNEDY. You had not known anything about this all along?

Mr. GLOSTER. No.

Mr. KENNEDY. It was all a secret?

Mr. GLOSTER. It was all a secret until the morning the boys got the letters in the stores, telling them that they were now in the union and would have to become part of the union. That morning I got a number of calls, about 7:30 in the morning. I probably got about 10 calls, immediately, one after the other, from the fellows protesting the fact that they were put into the union by the company.

Mr. KENNEDY. Did you have any conversation at a later time with Mr. Block about local 474 coming into the Amalgamated Meat Cutters?

Mr. GLOSTER. I did.

Mr. KENNEDY. When did those conversations take place?

Mr. GLOSTER. Well, actually, I had never met Mr. Block prior to that. But on a Thursday before the Friday, that is, the day preceding the date that this letter was sent out to these fellows in the A. & P., I called my office—

Mr. KENNEDY. That would be about October what, 14, 15?

Mr. GLOSTER. October 15 I would think, in about that, anyway. It was the day previous to the announcement of the contract.

Mr. KENNEDY. That would be October 15, 1952. They did not get the letter until the 17th.

Mr. GLOSTER. It was the 16th, then. I was in Brooklyn visiting during the course of any normal activities in a Safeway store with my colleague, Pat Reape, and I called the office and our girl in the office told me that Mr. Block had called and asked to make an appointment for Mr. Reape and myself for lunch on the following Monday. I turned to Pat Reape who was standing by, and I asked Pat, and Pat said "We don't want to meet him, I don't know the guy, and what I do know isn't too good. Let's keep away from him."

I said, "Let's find out what he has to say."

So Pat agreed and I called the girl back and told her it was O. K. to make the appointment. So the next morning then the announcement came and we went out into the A. & P. stores Friday and Saturday and again on Monday. Block's office called sometime on Monday in the forenoon, canceling the appointment for lunch, but suggesting that we meet Block at dinner at the Black Angus. We had a meeting before the Federal Mediation Service, because we were in the process of negotiating our contract with Safeway.

However, we took a cab over to the Black Angus and went in. As you go inside the door there is a service bar there. I did not know Block, and I asked the bartender if Mr. Block was here and he said "He is standing right there near you."

So Max identified himself, and I introduced Pat to him. He had not known Pat either. That was the start of the conversation.

Mr. KENNEDY. This is the important part of it that I would like to have you recite, the conversation that you had with Max Block at this meeting at the Black Angus which probably was October 20.

Mr. GLOSTER. That would be about right.

Mr. KENNEDY. And this was just after the card count?

Mr. GLOSTER. It was after the announcement of the contract.

Mr. KENNEDY. The contract and the card count. The signing of the contract and the card count?

Mr. GLOSTER. That is right.

Mr. KENNEDY. You met him at the Black Angus.

Mr. GLOSTER. Yes. We had a couple of drinks standing at the bar. We discussed the general terms of the contract and the idea of getting those people signed. I was skeptical about it. Max said:

Well you are not a novice in the business. You fellows broke your back for the last several years and did not get any place. I think this is the right way to do it. They can be organized later.

Mr. KENNEDY. "They can be organized later"?

Mr. GLOSTER. That is right. I would assume this, that once he got in there, he had access to the people and had a contract in effect. In view of the fact that the company had a lot of influence with their employees—

Mr. KENNEDY. You talk awfully fast, and sometimes it is difficult to follow you. Slow it down a little bit.

Mr. GLOSTER. I will try. I would assume that Max felt once he was in fact bargaining representative of the people, he could hold probably meetings and sell them a bill of goods, let's say.

Mr. KENNEDY. What did he say to you right at the beginning. Did you raise some question as to how he could go in there and get all these employees?

Mr. GLOSTER. I did.

Mr. KENNEDY. Was that based on the fact that you had had so much difficulty?

Mr. GLOSTER. Well, that was the thing. We had so much difficulty. We worked a long time there. We started in 1947, and my associate, Pat Reape, and I had several years prior to that. We knew the difficulty.

Mr. KENNEDY. And particularly in the Brooklyn area it was very difficult?

Mr. GLOSTER. In the Brooklyn area we had an election for representation, I think, in the previous March, and that was a very difficult assignment. We got in there, and we merely submitted an interest, which consisted of 10 percent of the cards. The petitioner has to file 30, which was 1500. We submitted 10 percent and had an interest so we got on the ballot. Actually we did have very little work there prior to that. But I did some work there for 3 or 4 weeks prior to the election, and I found that people were very antiunion. Actually, the meatcutters, who were in Block's union were working around 1500 and against both unions, because they said, "We have a union and see what it is doing for us?"

(At this point, Senator Curtis entered the hearing room.)

Mr. KENNEDY. So you raised some question with Block at this meeting about his ability to get in there and be their bargaining representative. Recite again what he said to you.

Mr. GLOSTER. He said, "You fellows have broken your backs," or words to that effect, "You have broken your back there for several years and made no headway. I think this is the way to do it. We can organize these people later."

Mr. KENNEDY. Did you ask him what he meant?

Mr. GLOSTER. I asked him. He said, "Well, you are not a novice in this business."

Then I particularly raised the question about the Brooklyn unit.

Mr. KENNEDY. What?

Mr. GLOSTER. I particularly raised the question about the Brooklyn unit, since I knew there was very little interest in the union.

Mr. KENNEDY. Did you raise a question—

Mr. GLOSTER. I asked him how he got the cards there, because previously in the election in Brooklyn in March, the employees voted 5 to 1 against the union, and I said, "You can't tell me, Max, that you can go in 4 or 5 months later and sign up a majority of these people."

So he said, "Well, what of it? Actually, I had 300 cards, legitimate cards."

I said, "That adds up because there were about 302 people who voted for the union in March."

Mr. KENNEDY. So he admitted to you that even at that time that in the Brooklyn unit they only had 300 legitimate cards?

Mr. GLOSTER. That is right.

The CHAIRMAN. For the record, how many were eligible in the Brooklyn unit?

Mr. KENNEDY. I think it was 1,411 that he actually received. That is according to the vote.

The CHAIRMAN. In other words, in the Brooklyn unit, according to the record here, there were 1,411 employees eligible to either vote or to sign the cards indicating they preferred a certain union.

Mr. KENNEDY. We will get the exact figures.

The CHAIRMAN. I just want to relate the 300 valid cards that he said he had to the total number who were eligible.

Mr. GLOSTER. Well, he indicated that he had 300 legitimate cards, in Brooklyn.

Mr. KENNEDY. As I remember the figures were that the Meat Cutters, according to the card count, received 1,400 votes, or over 1,400 votes, in the Brooklyn unit.

Mr. GLOSTER. Well, there were cards, I would say. I don't think they were votes.

Mr. KENNEDY. As far as cards, they received 1,400 cards.

The CHAIRMAN. What I wanted to do was relate what he said there about the number of valid cards that he had, 300, to the total number that were eligible in that unit.

Mr. KENNEDY. The approximate number of eligible employees was 1,687.

The CHAIRMAN. He had, then, out of that, only 300. He had approximately 300 valid cards.

Mr. KENNEDY. That was his admission. I passed the remark that the people in Brooklyn were 5 to 1 against the union in March, and I could not understand how they would swing so fast.

The CHAIRMAN. So what that amounted to was a small minority, 300 members out of the 1,687, or nearly 1,700 members.

Mr. GLOSTER. It was approximately one-fifth, Senator.

The CHAIRMAN. They actually determined about the Butchers Union being selected as its bargaining representative for the whole group.

Mr. GLOSTER. That is it.

The CHAIRMAN. That was in collusion, apparently, with management.

Mr. GLOSTER. That is the way it sounded to me.

The CHAIRMAN. I am talking about from the evidence here. His admission to you was that he had about 300 valid cards?

Mr. GLOSTER. That is right.

The CHAIRMAN. All right.

Mr. KENNEDY. And the votes that were given to them in the Brooklyn unit, Mr. Chairman, was 1,047 votes, to the Butchers. He said out of those 1,047 votes only 300 of them were legitimate.

Mr. GLOSTER. Were legitimate, yes.

Mr. KENNEDY. Did he tell you that there was an easier way?

Did the conversation go on after that?

Mr. GLOSTER. That was the context of the conversation when we started off, that that was the easiest way to do it, citing the fact that we had spent so much time and effort to try to organize the people and still were unsuccessful.

The CHAIRMAN. You had not resorted to any improper tactics, had you, in trying to organize?

Mr. GLOSTER. No, Senator, we don't operate that way.

The CHAIRMAN. You had not undertaken to enter into any agreement or collusion with management to get management's assistance to help you organize?

Mr. GLOSTER. I don't think they would assist us, Senator. We are not that type of a union.

The CHAIRMAN. You were just out in a legitimate enterprise of trying to persuade the employees that it was to their interest to have a union, and that your union was the proper one to represent them.

Mr. GLOSTER. Yes. It took us a couple of years to go out, work hard, get legitimate cards, to petition the National Labor Relations Board for an election, and when we had sufficient cards we felt was over 50 percent of the eligible voters and we petitioned the Board.

Thereafter, the Board processed the election, in September of 1950. We lost the election; however, we petitioned the Board. We said it was an unfair labor practice charge.

We petitioned the Board for a new election. We did have an election in, I think it was, March of 1952. That is in the Bronx unit. We made a much better showing, and it looked like as if we had a feeling then that since we came so close to it in March, that a year later when we were in a position to apply for a new election, we would really take that election.

We felt that once we knocked off the Bronx unit, we then would go along to the other four units in the division.

Mr. KENNEDY. Subsequently, did your union join up with the Meat Cutters?

Mr. GLOSTER. We did.

Mr. KENNEDY. Do you take an active role in the Meat Cutters now?

Mr. GLOSTER. Yes.

Mr. KENNEDY. Are you a member of the district council with Mr. Block?

Mr. GLOSTER. We are not members of the joint council.

Mr. KENNEDY. The district council?

Mr. GLOSTER. We are not members of the district council. We withdrew from the district council in 1955.

Mr. KENNEDY. Why did you withdraw?

Mr. GLOSTER. Well, certain practices. We had a strike in Safeway and we felt that Max Block actively worked against us during that strike, so we walked out of it and never went back.

Mr. KENNEDY. Had you known at any time that there was any secret agreement between Block and the A. & P.?

Mr. GLOSTER. Well it was rumored in the grapevine. We actually could not prove it, but we had rumors of it.

Mr. KENNEDY. You were never able to prove it?

Mr. GLOSTER. We were never able to pin it down.

Mr. KENNEDY. Was it on the fact that there was a 5-year contract?

Mr. GLOSTER. Yes.

Mr. KENNEDY. That is all.

The CHAIRMAN. Are there any questions?

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. When was it that Mr. Block stated that they had 300 cards?

About when was that conversation?

Mr. GLOSTER. Approximately October 20, Senator, 1952.

The announcement of the contract to the A. & P. employees was on a Friday and this was the following Monday evening, about 7 o'clock.

Senator CURTIS. Would you favor a statute, the enactment of a statute, that eliminated the practice of recognizing the bargaining agent through the signing of cards and which would require a secret election in all such cases?

Mr. GLOSTER. Well, where there is a contest, certainly.

Senator CURTIS. I didn't hear your answer.

Mr. GLOSTER. Where there is a contest, I certainly say there should be an election.

Senator CURTIS. Why shouldn't there be in all cases?

Mr. GLOSTER. I would say this. I think the clause in the Taft-Hartley Act which stated in the case of a union shop election, a majority of the people in the bargaining unit should vote in favor of the union shop, I think if that had been allowed to stay in the Taft-Hartley Act, this contract could not be consummated. As you know, Senator, the Taft-Hartley Act had a clause when it was first introduced in 1947, which made mandatory for management and the union to petition the Labor Board for a union-shop election, wherein 51 percent of the people in the bargaining unit would have to vote in favor of a union-shop election. That clause was subsequently withdrawn, I think in about 1950 or 1951. If that clause had been allowed to stay in Taft-Hartley this kind of a contract could not be signed in A. & P., because they could not go out and get 51 percent of the people to vote for a union-shop election after that kind of a deal.

Senator CURTIS. I understand that, and I have no quarrel with the legislation, but why shouldn't, in selecting the bargaining agent in the first instance, the workers have the right to vote?

The right to organize and bargain collectively is a worker's right. It is not a union right.

Mr. GLOSTER. I agree with you, Senator.

Senator CURTIS. It is not an organizer's right. It is a right of people who toil for wages.

Mr. GLOSTER. Let me point out this to you, Senator, that the National Labor Relations Board moves so slowly, and that is also true of the New York State Labor Department, they move so slowly that very frequently you get a group of people up to a point where they are willing to vote for a union, and the Board, through probably—I don't know what kind of a process, but generally it is a slow process, particularly if the company files objections and you go into hearings. Those hearings can go on for a year or two. Then the people get disgusted. In the meantime, management has a chance to work on them. The store managers, different dairy heads, produce heads, different personnel have chances to work on those people, and they will undo all of the work you have done probably in the course of a year or two while you are waiting for the Board to process it.

I would say this, if the Board could give you a fast election, say within the course of a couple of months or three, I certainly say that you should have an election. But if I am going to have to wait 2 or 3 years, I think I may as well not even bother to try to organize.

Senator CURTIS. I agree with you on that. I think the procedures are terribly slow. I think sometimes they take months to do what ought to be done in 10 days. I think Congress has the responsibility to change some of the things. Congress could well set up a procedure whereby an election could proceed without having to have every one of them wait for the NLRB. That is all, Mr. Chairman.

The CHAIRMAN. All right. Thank you very much.

Mr. KENNEDY. I have one more question. How would you describe this contract between the Meat Cutters and the A. & P. Co.?

Mr. GLOSTER. I think it is a sweetheart deal. A. & P. benefited from it and the union benefited from it, but the employees did not. It certainly isn't a contract in the sense that I would have. Of course, when we have a contract, we go to our people with it. That has to be rati-

fied before we can sign that contract. You can't sign a contract legitimately and go to your people afterward and ask them to ratify it after the contract has already been consummated.

Mr. KENNEDY. That is what was done in this case?

Mr. GLOSTER. I don't think it was ever ratified.

Mr. KENNEDY. It was never ratified.

Mr. GLOSTER. Never ratified any place that I know of, and I think I was very familiar with the procedure.

Mr. KENNEDY. Do you think what was followed by the Meat Cutters was good union tactics and policy?

Mr. GLOSTER. No, sir. If I tried to follow it in my union, they would run me out of town.

The CHAIRMAN. Do you believe that union contracts, or bargaining contracts, should be approved by the union members who are affected by that before the contract is actually signed and goes into effect?

Mr. GLOSTER. Definitely, Senator. Any good union practices that procedure.

The CHAIRMAN. I have a provision like that in the bill that I introduced. I am wondering what is the serious objection to it.

Mr. GLOSTER. I don't think you are going to find any objection, Senator, from legitimate unions. As a matter of fact, let me say this: I think 95 percent of the meatcutters unions are probably as good unions or better than any other comparable group. We have a very, very fine type of people in there; unfortunately, in the New York area, we have certain other people, and I think they are the cause of these hearings today. But by and large, throughout the country, we have real good unions, democratic unions, responsible people, honest, industrious, people with a sense of ethics, who really take care of their people and do a job for them. I think anybody who has investigated the meatcutters at large will agree with me.

The CHAIRMAN. But you agree with me that a contract affecting hundreds or thousands of employees should be approved, the terms and provisions of it should be approved, by the workers themselves before the contract is entered into?

Mr. GLOSTER. Yes, Senator, unless there may come a situation where you are in the process of negotiating. What we do in that case when we are negotiating, as a matter of practice, and I think it is a good practice, is we report back every couple of weeks to the membership, and give them a factual account of the progress we are making.

Very frequently you arrive at a situation where you have practically everything settled, but maybe one or two minor details, and the membership says to the negotiating committee "Go back and see what you can do on these items."

You may have actually complete agreement, complete ratification, were it not for the fact that there are a couple of minor details which you may or may not get, and may not affect the outcome anyway. I think that is the only time that you should sign a contract without complete ratification.

The CHAIRMAN. In other words, you favor it where it is necessary to prevent fraud?

Mr. GLOSTER. I am definitely in favor.

The CHAIRMAN. Thank you, sir.

Senator CHURCH. Mr. Gloster, I want to commend you for having brought two important points into perspective. For one thing, I think we cannot remind ourselves too often that in a hearing of this kind, where we refer to the Amalgamated Meat Cutters' Union, we are in fact referring to the practices of a single local, and we ought to be very careful not to innocently convey the impression that this kind of practice that has come to light in the hearing, with respect to this particular local, necessarily reflects the kind of practice that is actually being pursued in other locals of the Amalgamated Meat Cutters' Union generally throughout the country. Your testimony has been very helpful in pointing up that distinction. We have dealt here with the practice of a local. We are not dealing with what could be regarded as the general practice of the Amalgamated Meat Cutters unions throughout the country. I appreciated the emphasis that you gave to that point. The second thing I would like to say to you is this: I think you very well demonstrated in your testimony that, not only do the workers themselves have an interest in sound union practices, but that the unions themselves have an interest in seeing to it that sound and proper practices are observed. Your union and the other union that was attempting to organize these workers and was complying with the established procedures of the NLRB were also victims of this collusive arrangement between this particular local and the A. & P. management.

So there is a public interest in preventing this kind of thing. There is an interest that serves the best interests of wholesome unionism in this country, and there is an interest that relates directly to the workers themselves. And this committee ought to be considering all three. I think your testimony has been extremely good, and you have pointed up these things that we ought to keep in mind and keep in perspective. I want you to know I appreciate your testimony very much this morning.

Mr. GLOSTER. Thank you, Senator.

Mr. KENNEDY. In some of the literature that you put out, and in the conversations that we have had with you, Mr. Gloster, you had another description for this kind of an arrangement.

Mr. GLOSTER. Well, frankly, Mr. Kennedy, I forget, because possibly what I said—

Mr. KENNEDY. You mentioned in some of the literature that you put out at the time that it was a back-door deal.

Mr. GLOSTER. That was so, and I may have been even more expressive and profanely so. I would not want to repeat that in nice company.

Mr. KENNEDY. Would you describe it as that?

Mr. GLOSTER. Definitely a back door, of course.

Mr. KENNEDY. That is all.

The CHAIRMAN. I agree with what Senator Church has said. I think we can go one step further. Legitimate unionism has a big stake in this, too, because you cannot help, as has been pointed out here, however much of a caution you take, when you expose a condition like this in one local, it does carry some reflection upon the whole.

I think legitimate unions have a stake in this thing, to get in here and help us find a way to clean it out, because you not only become the victim from the standpoint of the immediate contract and the im-

mediate practice, but it tends to cast an aspersion upon unionism as such. We don't want to destroy unionism, but we do want to destroy or to prevent unionism that is not in the interests of the workingman and in the interest of the public at large.

Mr. GLOSTER. Let me say, Senator, this is not a union. This is a company union, No. 1. No. 2, I completely agree with you in that. As a matter of fact, in our office for the past 2 weeks since these hearings started we have had a number of calls, particularly from those people who have come into our union just recently, and have not yet begun to realize the type of union they have, protesting the fact that we are associated with the Amalgamated Meat Cutters. That is why I wanted to make the point that the Amalgamated Meat Cutters in cities such as Boston, Pittsburgh, Chicago, different other areas, they have unions second to none, and the type of people who lead them are certainly above reproach. It hurts me and I think it hurts everybody in the labor movement when these people go out and make these kind of deals, and there comes national publicity through television hearings, televised hearings, and the national press. It hurts me, it hurts my children who go to school, and who have to say that their father works for the Amalgamated Meat Cutters. They are ashamed to say it. I feel ashamed, too. I don't think there is any need for any man in the labor movement who isn't aboveboard, and if he isn't aboveboard, and if he isn't honest with the people who pay his salary, because I in effect am an employee of my local, and that is the way I regard it, I regard every single member as my boss. I think my associates feel the same. I think there would be no need for these hearings if that was the same all over.

The CHAIRMAN. I certainly commend you, and commend your union, and may the tribe increase.

Mr. GLOSTER. Thank you, Senator.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Maggiacomo.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before the Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MAGGIACOMO. I do.

TESTIMONY OF DOMINICK MAGGIACOMO, ACCOMPANIED BY HIS COUNSEL, SAMUEL BADER

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. MAGGIACOMO. Dominick Maggiacomo, 544 Palisades Avenue, Yonkers, N. Y., secretary-manager, Local 489, A. F. of L. That is the Amalgamated Meat Cutters and Butcher Workmen of America.

The CHAIRMAN. You have counsel?

Mr. MAGGIACOMO. Yes.

The CHAIRMAN. Counsel, identify yourself.

Mr. BADER. Samuel Bader, 32 Broadway, New York City.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. Local 489 has jurisdiction in what area?

Mr. MAGGIACOMO. Westchester, Putnam, and part of Dorchester County.

Mr. KENNEDY. Going back to 1952, you were also secretary-manager of the local at that time?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. The Meat Cutters were attempting to organize the employees and clerks of the A. & P. store in 1952, is that right?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. Did you instruct the employees of your union, the business agent, to go out and obtain signatures on cards?

Mr. MAGGIACOMO. I did.

Mr. KENNEDY. Did you tell them at that time that there was going to be a card count?

Mr. MAGGIACOMO. No.

Mr. KENNEDY. Did you know there was going to be a card count?

Mr. MAGGIACOMO. I knew there was going to be a card count, but I didn't know what it was for. I thought it was a regular procedure to have a card count and then go to the election.

Mr. KENNEDY. You didn't know this card count was the one to decide the bargaining representative?

Mr. MAGGIACOMO. I did not.

Mr. KENNEDY. You were never informed of that by Mr. Block. Therefore, the business agents who were working for you during this period of time were not able to inform the ones from whom they got cards, when they got the signatures, that this was going to be used as an election?

Mr. MAGGIACOMO. No, I don't think so, no. They couldn't.

Mr. KENNEDY. You couldn't give them that information and therefore they couldn't pass it on?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. Were you aware of the fact that a contract was signed the day after the card count?

Mr. MAGGIACOMO. No, sir.

Mr. KENNEDY. Did Mr. Block ever tell you about that?

Mr. MAGGIACOMO. That it was signed the very next day?

Mr. KENNEDY. Yes.

Mr. MAGGIACOMO. No, sir.

Mr. KENNEDY. Did he in fact tell you that he was negotiating the contract after the card count was finished?

Mr. MAGGIACOMO. I was under the impression that we were all negotiating it at the same time.

Mr. KENNEDY. After the card count you were informed that a card count had taken place?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. Then he told you that he was in the midst of negotiating the contract?

Mr. MAGGIACOMO. No. We were discussing the different problems, but I didn't know the contract was signed the next day until you told me the last time I met with you.

Mr. KENNEDY. Did Mr. Block indicate to you in the course of his conversation, that he was having discussions with the A. & P. towards signing a contract, discussing the terms of the contract?

Mr. MAGGIACOMO. Yes.

Mr. KENNEDY. And that took place after October 11, after the card count had taken place?

Mr. MAGGIACOMO. It must have.

Mr. KENNEDY. So you thought that you were carrying on discussions during the period of some 2 or 3 weeks, which was going to lead to the signing of a contract?

Mr. MAGGIACOMO. Right.

Mr. KENNEDY. When, in fact, Mr. Chairman, the contract had already been signed on October 11.

Do you feel that you were being misled during that period of time, Mr. Maggiacomo?

Mr. MAGGIACOMO. Well, after all, Mr. Kennedy, what we did get for the people was very good, and they were very happy about it.

Mr. KENNEDY. Did you ever submit it to them for ratification?

Mr. MAGGIACOMO. Yes, we did. At that particular time, of course, we already had the Butcher contract, and we were working under the Butcher contract, and we were working under the Butcher contract, and discussing what we could get for the employees in the other departments.

Mr. KENNEDY. But, of course, when you were discussing what you could get for the employees in the other departments, the contract had already been signed?

Mr. MAGGIACOMO. Yes, without my knowledge. I didn't know.

Mr. KENNEDY. Your union was involved in it?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. Let's go one step further. After the contract was signed, was it ever given to the membership, submitted to the membership for their approval?

Mr. MAGGIACOMO. Yes. In my particular area we explained to the membership what they were to receive and everything else.

Mr. KENNEDY. To the Grocery Clerks?

Mr. MAGGIACOMO. To the Grocery Clerks.

Mr. KENNEDY. Did you actually submit a copy of the contract to the Grocery Clerks?

Mr. MAGGIACOMO. I think we mailed one out to all of them.

Mr. KENNEDY. During this period of time?

Mr. MAGGIACOMO. After everything was over, I think we mailed them a copy of the contract.

Mr. KENNEDY. This was after it was signed, of course?

Mr. MAGGIACOMO. Yes.

Mr. KENNEDY. But you did mail a copy of the contract to all of them?

Mr. MAGGIACOMO. I think all of them got a copy. If each individual didn't get one, the shop stewards in the particular stores—I really think that all of them got one, because they were demanding a copy of the contract.

Mr. KENNEDY. And you say the membership voted approval of the contract?

Mr. MAGGIACOMO. They did in my area.

Mr. KENNEDY. They had the actual contract before them, and they voted approval of it?

Mr. MAGGIACOMO. Yes.

Mr. KENNEDY. You had a meeting on it?

Mr. MAGGIACOMO. Yes; we did.

Mr. KENNEDY. Of the clerks?

Mr. MAGGIACOMO. That is right.

Mr. KENNEDY. When was that held?

Mr. MAGGIACOMO. Not too long after this card count. I don't remember exactly when, but it wasn't too long after, because they were clamoring for a meeting to know what they had received.

Mr. KENNEDY. Again, when I talked to you up in New York, you had no recollection of any ratification of the contract?

Mr. MAGGIACOMO. I think I told you I did have it ratified. I think, if you look at your minutes, you will see I said it was ratified, and you asked me how could you get it ratified when you already had it signed.

Mr. KENNEDY. What was the answer?

Mr. MAGGIACOMO. I don't know the answer. All I know is that I did call the clerks in my area and told them what they were to receive, and they were happy about it.

Mr. KENNEDY. Was this after the welfare clause in the contract was changed?

Mr. MAGGIACOMO. Yes; after the welfare clause was changed.

Mr. KENNEDY. Did you know of any secret agreement extending the the 45-hour week for a 5-year period?

Mr. MAGGIACOMO. No, sir.

Mr. KENNEDY. I asked you the question, "Why didn't you submit it to the membership and find out if they were happy?" and you said, "I did not in my area."

Mr. MAGGIACOMO. I did not.

Mr. KENNEDY. Did not submit the contract to the membership?

Mr. MAGGIACOMO. I think you have it wrong there.

Mr. KENNEDY. I am reading it.

Mr. MAGGIACOMO. I am pretty sure I said I did, and you said, "Well, how could you, when the contract was signed the very next day?" and you knocked me off my pins when you said it was signed the next day.

Mr. KENNEDY. This is the exchange:

Why didn't you submit it to the membership to find out if they were happy? and your answer was:

I did not in my area. I don't know if they did in other areas.

I asked:

Can you explain what you told us here, how the contract had been signed the day following the card count?

and your answer was:

No; I couldn't.

Question. You were being misled then?

Answer. Yes.

Question. The contract was signed the day following the card count?

Answer. Then it was really rigged, then.

Do you remember saying that?

Mr. MAGGIACOMO. Yes. But I also said that I had talked to the people in my area about what they were going to receive.

Mr. KENNEDY. Obviously, according to what you told us, Block was misleading you, and your answer was, "If he signed the contract the very next day, he was misleading me and some other people." And then you said, "Our union was involved." You also said, "I do feel betrayed." Do you remember saying that?

Mr. MAGGIACOMO. I didn't say it that way. I said I felt, when you said to me that the contract was signed the very next day, I got a little excited because I didn't know anything about a contract being signed the next day, and you said something about, "Well, then you were sold down the river."

Mr. KENNEDY. The question was:

If there was an agreement, would you feel that you had been betrayed?

Answer. I do feel betrayed, if you are making agreements and you sell me down the river.

Mr. MAGGIACOMO. Well, that is the answer, then.

Mr. KENNEDY. And that is the way you feel?

Mr. MAGGIACOMO. Of course, if I didn't know anything about it, I should feel that way, because I wanted to report to my people everything that was going on.

Mr. KENNEDY. Did you ever hear that you were going to strike?

Mr. MAGGIACOMO. Yes.

Mr. KENNEDY. You were ready for a strike?

Mr. MAGGIACOMO. Well, we had told the company that if we didn't get somewhere we would strike them sooner or later.

Mr. KENNEDY. Did you tell them that you were going to strike if the retail clerks did not sign?

Mr. MAGGIACOMO. I, myself, personally?

Mr. KENNEDY. Yes.

Mr. MAGGIACOMO. No.

Mr. KENNEDY. Do you know if anybody did?

Mr. MAGGIACOMO. I don't know.

Mr. KENNEDY. Did you tell the members of your union, did you ever discuss that with them, that you might go out on strike?

Mr. MAGGIACOMO. Yes. We kept using that word now and then to try and get something.

Mr. KENNEDY. I am sure you kept using the word now and then, but wasn't the reason that the threat of strike was used at that time in order to get a 40-hour week, to go from a 45-hour week to a 40-hour week?

Mr. MAGGIACOMO. At that particular time?

Mr. KENNEDY. Just prior to it, while the card count was going on, in early October.

Mr. MAGGIACOMO. A mention of a 40-hour week at that time?

Mr. KENNEDY. Yes.

Mr. MAGGIACOMO. In our negotiations, we were mentioning the 40-hour week.

Mr. KENNEDY. Isn't that why the threat of a strike was being held?

Mr. MAGGIACOMO. In 1952, Mr. Kennedy?

Mr. KENNEDY. Yes.

Mr. MAGGIACOMO. I don't think so.

Mr. KENNEDY. What were you saying you were going to strike about then?

Mr. MAGGIACOMO. In 1955?

Mr. KENNEDY. No; in 1952.

Mr. MAGGIACOMO. We more or less let the company know that, if they didn't talk turkey with us, we might take the Butchers out.

Mr. KENNEDY. What did you mean by talking turkey?

Mr. MAGGIACOMO. We wanted a contract.

Mr. KENNEDY. For the Butchers?

Mr. MAGGIACOMO. For the clerks.

Mr. KENNEDY. Did you tell them, or did Mr. Block tell them, at that particular time that you were going to go out on strike if they didn't sign a contract for the clerks?

Mr. MAGGIACOMO. I wasn't there, if he did.

Mr. KENNEDY. You weren't there?

Mr. MAGGIACOMO. If he did say that, I wasn't there.

Mr. KENNEDY. You don't know anything about that?

Mr. MAGGIACOMO. No; I don't.

Mr. KENNEDY. You never discussed that, at least, with your membership?

Mr. MAGGIACOMO. No.

Mr. KENNEDY. Under the law, don't you have to file a 30-day notice with the State mediation board if you are going to go out on strike?

Mr. MAGGIACOMO. That is general procedure.

Mr. KENNEDY. Did you ever file a 30-day notice with the State mediation board in this case?

Mr. MAGGIACOMO. Not that I know of, sir.

Mr. KENNEDY. Mr. Chairman, on this question of whether the Butchers and Mr. Block were actually going out on strike, there is a law that they have to file this notice, and Mr. May has made a check with the mediation board and with the Federal authorities to find out if there was a notice given to those boards. He could give a report of that.

The CHAIRMAN. Mr. May, have you been sworn?

Mr. MAY. No, sir.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MAY. I do.

TESTIMONY OF WALTER R. MAY

The CHAIRMAN. Mr. May, you made a check with the State mediation board, and, also, with the NLRB, with respect to whether any notice had been filed in compliance with the law?

Mr. MAY. Yes, Senator.

The CHAIRMAN. With respect to whether a strike was intended or to be called?

Mr. MAY. Yes, Senator.

The CHAIRMAN. What did you find?

Mr. MAY. Section 8 (b) of the Taft-Hartley Act requires a couple of procedural steps before a union can conduct a legal strike. They must file a written notice to the other party to the contract 60 days prior to the expiration of the contract, which, in this case, for all unions involved, was October 4, 1952. Also, 30 days thereafter, if the union intends to strike, it must notify the Federal Mediation and Conciliation Service and, simultaneously, notify the State mediation service.

I checked with Mr. Julius Mason, now executive director of the New York State Mediation Service, and he told me that, from the

records available, there is no record of either Local 342, Local 400, or Local 489 of the Meat Cutters filing such a notice with that service in 1952.

I also checked with Mr. Frank Brown, New York regional director of the Federal Mediation and Conciliation Service, and, according to his records, those unions failed to serve notice in 1952. Consequently, they were unable, in October of 1952, to conduct a legal strike.

The CHAIRMAN. Are there any questions?

(At this point, Senator Church left the hearing room.)

TESTIMONY OF DOMINICK MAGGIACOMO—Resumed

Senator CURTIS. What is the geographical location of your local?

Mr. MAGGIACOMO. It takes in Westchester, Putnam, and part of Dutchess County.

Senator CURTIS. What employees are involved?

Mr. MAGGIACOMO. All of our contracts, do you mean?

Senator CURTIS. Yes.

Mr. MAGGIACOMO. The A. & P. employees from this union go up as far as Wappingers Falls, and that is in Dutchess stores. We have First National Stores, Inc.; the Gristede Bros., five stores; Grand Union; and all of the smaller, independent stores within our jurisdiction.

Senator CURTIS. Do you have just the people in the meat department or do you have the whole store?

Mr. MAGGIACOMO. In five stores of Grand Union I have the whole store. In the A. & P., of course, we have the whole store. In the First National, we do not. We have just the meat department. In the Gristede Bros., we have just the meat departments.

Senator CURTIS. In these stores, other than A. & P., how many hours did you have in your workweek in your contracts in 1952?

Mr. MAGGIACOMO. I believe it was 45.

Senator CURTIS. In all of them?

Mr. MAGGIACOMO. Yes.

Senator CURTIS. Was it more than 45 in any?

Mr. MAGGIACOMO. No, sir.

Senator CURTIS. For how long did it continue at 45?

Mr. MAGGIACOMO. All of them until June 1, 1957.

Senator CURTIS. You are referring to all of your stores?

Mr. MAGGIACOMO. Yes. When we negotiated with the other companies after the A. & P. contract was signed, we made sure that on June 1, 1957, we would automatically go to a 40-hour agreement.

Senator CURTIS. But, up until then, all the contracts had been 45?

Mr. MAGGIACOMO. That is right.

The CHAIRMAN. All right. Thank you.

Call the next witness.

Mr. KENNEDY. Mr. Joseph Cohn.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. COHN. I do.

TESTIMONY OF JOSEPH COHN, ACCOMPANIED BY HIS COUNSEL,
SAMUEL HARRIS COHN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. COHN. Joseph Cohn. I reside at 8 Montgomery Circle, New Rochelle, N. Y.; place of business is 550 Bergen Avenue, Bronx, N. Y.

The CHAIRMAN. Do you have counsel?

Mr. COHN. I do.

The CHAIRMAN. Counsel, identify yourself, please.

Mr. S. COHN. Samuel Harris Cohn, offices, 1776 Broadway, New York City, member of the New York bar.

The CHAIRMAN. We have the witness Cohn and the attorney Cohn.

Mr. COHN. No relation.

The CHAIRMAN. Proceed.

Mr. KENNEDY. You are secretary-manager of local 400?

Mr. COHN. That is correct.

Mr. KENNEDY. What is the area that you work in?

Mr. COHN. The geographical area is in the Borough of Bronx and Manhattan in the city of New York.

Mr. KENNEDY. How many members do you have?

Mr. COHN. At this date, approximately 4,600.

Mr. KENNEDY. You had been working for a long period of time, had you not, trying to organize the clerks in the A. & P. stores?

Mr. COHN. I didn't get the question, Mr. Kennedy.

Mr. KENNEDY. You had been working a long time, had you not, attempting to organize the clerks in the A. & P. stores?

Mr. COHN. You are referring to the year of 1952, sir?

Mr. KENNEDY. Prior to that time had you been working on that?

Mr. COHN. Yes, sir.

Mr. KENNEDY. For a number of years?

Mr. COHN. On and off.

Mr. KENNEDY. And on and off for a number of years you had been interested in that?

Mr. COHN. Yes, sir.

Mr. KENNEDY. In 1952, did you renew your efforts to try to organize the clerks?

Mr. COHN. Yes, we did.

Mr. KENNEDY. Did Mr. Block then take over the direction of the drive?

Mr. COHN. Never took over the direction of the drive, as a drive itself, because in all my experience of organizing I have done my own writing, I have done all my own layout of work, but no one ever took over the direction of the drive.

Mr. KENNEDY. Specifically I am thinking of the contracts with the company. That was all done by Mr. Block, was it not?

Mr. COHN. On the question of negotiations, partially.

Mr. KENNEDY. As far as the grocery clerks, up until October 11, that was all done by Mr. Block, was it not, the contracts with the company?

Mr. COHN. The question is very vague. I do not want to answer the wrong way. When you speak of taking over the negotiation, sir,

it means taking it over from the inception to the conclusion, and this would not be true.

Mr. KENNEDY. I said up until October 11, the contracts that were made with the company on the part of the Meat Cutters was pretty much done on the part of Mr. Block, was it not?

Mr. COHN. There were many meetings that Mr. Block attended by himself and contacted, to use that word, there were many meetings.

Mr. KENNEDY. It was pretty much left up to him until the final negotiations on October 11? The discussions and conferences were pretty much left to him?

Mr. COHN. Yes, he was the person in charge.

Mr. KENNEDY. Did he keep you advised specifically as to what was going on and what steps he was taking?

Mr. COHN. That is hard to relate, because if I knew of every meeting I could relate the answer to that.

Mr. KENNEDY. Do you feel that he was keeping you advised as to what was going on?

Mr. COHN. I felt that he told me things that were going on, whether he told me completely, I do not know at this stage.

Mr. KENNEDY. Do you think you were being kept advised sufficiently enough as to what was going on?

Mr. COHN. Yes.

Mr. KENNEDY. The card count was held on October 9 and 10; is that right?

Mr. COHN. That is correct.

Mr. KENNEDY. Were you aware that that card count was taking place?

Mr. COHN. I was told about it prior to the card count.

Mr. KENNEDY. When did you learn about it?

Mr. COHN. I couldn't date it exactly. I would say a few days before, generally. But it was 1, 2, 3 or 4 days. It is impossible for me to remember when.

Mr. KENNEDY. Did your business agents know that the cards they were getting were to be used in this card count?

Mr. COHN. Absolutely not.

Mr. KENNEDY. Then, on October 8 and 10, did you know that the contract was going to be negotiated on October 11?

Mr. COHN. Negotiated?

Mr. KENNEDY. Negotiated and signed?

Mr. COHN. I do not know. The date of October 11 was void to me as far as anything happening prior to October 11, so I could not very well know what was going to take place on that day.

Mr. KENNEDY. You did not know. When did you first hear that the contract was to be signed?

Mr. COHN. The morning of October 11, approximately 10 o'clock or thereabouts.

Mr. KENNEDY. Where were you at that time?

Mr. COHN. I was at Woodbourne, N. Y.

Mr. KENNEDY. Did you receive a telephone call to come back?

Mr. COHN. I did.

Mr. KENNEDY. What time did you come back?

Mr. COHN. Well, as I stated to you, sir, at the previous meeting, it is 102 miles exactly to New York.

Mr. KENNEDY. Approximately when?

Mr. COHN. I would say 1 o'clock or thereabouts.

Mr. KENNEDY. What was the state of the negotiations at that time, when you got back, about 1 o'clock on Saturday?

Mr. COHN. I could not call them negotiations, sir. That is, from my interpretation of the word "negotiations." I would say when I came into the place where I was supposed to arrive at the Graybar Building on Lexington Avenue, the city of New York, I was given a contract to read.

Mr. KENNEDY. The contract had already been drawn up?

Mr. COHN. The body of the contract had been drawn up.

Mr. KENNEDY. This was by 1 o'clock on Saturday?

Mr. COHN. Approximately.

Mr. KENNEDY. The day following the card count?

Mr. COHN. According to the record.

Mr. KENNEDY. Did you sign the contract at that time?

Mr. COHN. Not immediately.

Mr. KENNEDY. You wanted some changes made?

Mr. COHN. I objected to several things in the contract, 1 or 2 things. We argued about it, we talked about it, and eventually got what I wanted.

Mr. KENNEDY. What was that?

Mr. COHN. There was a clause in the opening of the contract which gave the contract, as I interpreted it at that time, to the New York Butchers' district council. I felt this would lose the local autonomy of local 400. I felt that I had no right to waive the local autonomy of local 400, and I insisted upon a letter from Mr. Block, the president of the New York Butchers' district council, that this would in no way mean or be interpreted to mean that local 400 waives its local jurisdiction and its right to bargain by itself. I received that document. I believe you have a copy of it, Mr. Kennedy.

Mr. KENNEDY. So if you would sign this contract initially it would have given all rights to Max Block?

Mr. COHN. This was my interpretation at that time.

Mr. KENNEDY. So you insisted on getting a letter that you would preserve your own rights and the rights of your local union?

Mr. COHN. That is correct.

Mr. KENNEDY. At that time, did you know of any secret agreements that had been signed by Mr. Block?

Mr. COHN. I did not.

Mr. KENNEDY. When did you learn about that?

Mr. COHN. Well, that question, sir, when I learned about that, happened in this way, and you can draw the conclusions of whether I learned about it or not. I was in Chicago approximately 2 or 3 months ago, the exact date, there again I can't date the exact date, and in my discussions with Patrick E. Gorman, the secretary-treasurer of our international, and I had gone there for 2 purposes—1 was to get a copy of the telegram which I had sent to him on July 22 and second was some organizational problems that I was confronted with—and he mentioned to me that your committee investigators were in his office and had been looking for a 5-year letter, and in which he told me then they had found on a microfilm. I never saw the letter; I never saw the document. That was my first knowledge of that situation as far as anything 5 years secret or not secret.

Mr. KENNEDY. What was your reaction to it?

Mr. COHN. I got angry. I felt there was an obligation of the international office to advise me if such a document had been signed. At that time, Gorman explained that to me, and I quote him saying:

I do not remember whether I signed it or not. All I remember is that I told the committee—

I think it was Mr. Kopecky, the name he used—

where the letter was because even the committee could not find it.

So he quoted what he said to me.

Mr. KENNEDY. Can you give us any more about your reactions as to what had been done?

Mr. COHN. Well, my first reaction? My first reaction to the thing was that it was a situation if anyone dared to sign anything that I was party to, and I used the word "I" representing the local which I am elected from, to do something of that sort or any nature, which would leave us out and holding the situation where we would not be able to move, it was an outrage and I felt that at that time. I felt that very, very much, and was incensed about it. To this date I have never seen the letter. I have read about it in the press, and I have read about it in the minutes. But I have never seen the letter to this date.

Mr. KENNEDY. The contract as it was written, was that ever submitted to the membership for ratification?

Mr. COHN. Yes, sir.

Mr. KENNEDY. It was?

Mr. COHN. On October 16, 1952, we had scheduled a membership meeting of those people who were members of our union who were working in the Great Atlantic & Pacific Tea Co.

Mr. KENNEDY. Would that be butchers and grocery clerks?

Mr. COHN. This was the butchers, the butchers. At that meeting, we presented the contract. May I add that during the entire reading of the agreement, at no time did we mention the grocery clerks as a part of the contract, because we did not want to sell the butchers the idea that we gave in on any particular point in order to get the grocery clerks. It was only after the contract was ratified that I announced the question of the grocery clerks.

Let me state that in all my life I have never heard an ovation by the butchers that I heard that day, they were so happy about it. Because they had gone through the experience, by particular local, local 400, which I represent, that they could not get the best conditions in the Great Atlantic & Pacific Tea Co. with only one-third of the people organized. They could not get it. We maneuvered previously. We were the first ones to sign a contract in the Great Atlantic & Pacific Tea Co. We maneuvered in many, many negotiations for things that we felt we were entitled to. We squirmed, we moved, we did everything under the sun.

But we very well knew the leadership, and the membership, understood that unless the entire shop was signed up, we could never get anywhere and get the conditions we were entitled to, whether it be a 40-hour week, whether it be better working conditions, whether it be top wages, we were alone. In 1952 there was an election taking place in the city of New York in which participated local 1500 of the RCIA and local 474 of the then CIO. Our organization went on record with

our members, our shop stewards, to have the people vote union. We take the stand that the reason that the unions all got such a big vote in that election was because the butchers supported the prounion vote.

We did not take a position for which local, because we hoped they would win and we wanted to know who we would live with. But our entire drive was to see the entire shop organized. The proof of the pudding is the existing contract today, that once the shop was signed up completely we were able to get the conditions that we are enjoying.

Mr. KENNEDY. Did you ever submit the retail clerks' contract to the employees?

Mr. COHN. You are referring to the grocery clerks, Mr. Kennedy?

Mr. KENNEDY. Yes.

Mr. COHN. No, sir, they were not members of our union. There was no way we could submit it to them for ratification. I presume that is what you mean.

Mr. KENNEDY. That is correct.

Mr. COHN. Not for ratification. But we called a series of meetings which would have gone off swell, if we did not have a disruptive element in the organization, who were there to disrupt. But we took up the question with the workers and did the best we could under the circumstances.

We must have had about 50 meetings in a period of 6 months or less.

Mr. KENNEDY. Did you have a lot of trouble signing up the clerks in your area after the contract was signed?

Mr. COHN. Yes, without a question of a doubt. We had no assistance from anybody. We had a lot of trouble. We had people who were pro-CIO, and there again I speak of 1952 if not of today, and they gave us a lot of headaches about this situation.

Mr. KENNEDY. Was there a lot of bad feeling, Mr. Cohn?

Mr. COHN. Without a question of a doubt.

Mr. KENNEDY. Right after the contract was signed?

Mr. COHN. Without a question of a doubt.

Mr. KENNEDY. Had you tried in 1955 to get a 40-hour week in the negotiations that took place in 1955 with the A. & P.?

Mr. COHN. That was part of our demands.

Mr. KENNEDY. Was there anybody in the union who was against your going to a 40-hour week?

Mr. COHN. Who differed with our opinion?

Yes, there were two locals who differed with our opinion, the rank and file. We met as a complete negotiating committee of one hundred and some odd. The rank and file committees felt and the leadership felt, of those two locals, that the raising of money was more important to workers because of the cost of living, et cetera, and we were for a 40-hour week.

Mr. KENNEDY. Did Mr. Block himself oppose going to a 40-hour week?

Mr. COHN. Well, it is hard to say "oppose." He was for \$7.50, as No. 1. Let me place it this way, if I may, Mr. Kennedy. We had No. 1 on the agenda, the 40-hour week, with that tied up as much money as we could get. Our people were primarily interested in the 40-hour week. Mr. Block's local, 342, their people were interested, No. 1, on the agenda, the increase of as much as they could get, and, No. 2, a

reduction of hours. But it was a question of opinion as to which came first for which particular local.

Mr. KENNEDY. All I am asking is: Did Mr. Block oppose the employees in the union from going to a 40-hour week?

Mr. COHN. When you use the word "oppose"—

Mr. KENNEDY. He was not in favor of going to a 40-hour week?

Mr. COHN. He was representing his local for an increase.

Mr. KENNEDY. He was not in favor of going to a 40-hour week.

Mr. COHN. That is correct.

Mr. KENNEDY. You were in favor of going to a 40-hour week and he was not in favor of going to a 40-hour week.

Mr. COHN. That was the sentiment of the people I represented.

Mr. KENNEDY. What if you had submitted this contract to the employees and it had contained a clause in which the 45-hour week was going to last for a 5-year period? What would have been the results?

Mr. COHN. If such an agreement was brought to them, it is my opinion they would not be here today. They would have torn me to pieces.

Mr. KENNEDY. So if this secret agreement had been made known at that time, what would have been the results?

Mr. COHN. It would never have been accepted by our people if such an agreement was in effect and was signed.

Mr. KENNEDY. How many grocery clerks did you get as members from this contract?

Mr. COHN. Well, the figure cannot be a true figure, because the turnover in the A. & P. is tremendous. It was more then than it is now. I would say approximately 1,800 to 2,000, or 2,100, around that figure. There are variations on account of the season, and so forth.

Mr. KENNEDY. It almost doubled the size of your union?

Mr. COHN. Exactly. Exactly.

Mr. KENNEDY. So this was a rather important thing.

Mr. COHN. Without a question it was important from many phases, the most important being that it organized the shop completely.

Mr. KENNEDY. Mr. Cohn, what do you feel, as far as union practices are concerned, about the making of a secret agreement?

Mr. COHN. I am against a secret agreement. I am against anything that is kept from the membership. There are times you will not divulge tactics to the membership, because of leaking out, that you are going to do something.

But as far as keeping secrets from the membership, I am against it now, and I have always been against it, and I hope to continue to be against it.

The CHAIRMAN. Are there any questions?

Senator Curtis.

Senator CURTIS. With what employers besides A. & P. do you have contracts?

Mr. COHN. The background of our local is basically small shops, 1 and 2 man shops. We started the reverse in 1934 and 1935. We organized the small 1-2-man shops. That makes up the majority, which is approximately, you can imagine, about 500 employers with about 1,400 workers, to give you the idea of the shops. That is the backbone of our organization.

Senator CURTIS. Do you have any larger shops?

Mr. COHN. Yes. I am coming to that. We have a few small chains. We don't call them large. When we speak of large, we make a comparison of the major chains in the city of New York. I have no contracts with major chains. Gristede's, as far as employees, only has 175 to 200 butchers working for them. So you see, our backbone is completely small shops. We do not have any of the big, major chains.

Senator CURTIS. In some of these minor chains, how many stores would they have?

Mr. COHN. Some 5, some 7, some 4, some 6, some 8, they vary. I would say anywhere from 3 up to about 10.

Senator CURTIS. Were their contracts as good for the workers as the contracts for the larger employers generally?

Mr. COHN. All of our contracts basically are identical in language and conditions of work. They are all identical except the chainstore, the A. & P. contract, has certain clauses which we cannot get—let me reverse that. There are certain clauses in the independent contracts which we cannot get into the A. & P. contract.

Senator CURTIS. What sort of clauses?

Mr. COHN. I beg your pardon?

Senator CURTIS. What sort of clauses?

Mr. COHN. The question of hiring. We are intrastate under the question of the independent stores, while in the A. & P. we are classified as interstate. In the interstate situation you have the question of the hiring hall. Therefore, it makes it illegal for an employer to enter into any agreement of hiring employees through the union. This is not true in our independent stores. That is a very important clause to our people we represent. If an employer needs a man, he calls the union and we send a man. Of course, he is not compelled to keep him. He has a trial period. I want to make that clear. But that is a very important clause to us.

Senator CURTIS. What was the length of the workweek in the contracts that you had with employers other than A. & P. in 1952?

Mr. COHN. All our contracts, outside of the A. & P., qualified, I would say 99.9—I want to leave that one point where I may be wrong—are 45 hours for our butchers, we had 40 hours for our female wrappers, and in our self-service store 42½ hours.

Senator CURTIS. That was 1952?

Mr. COHN. Yes, sir. We had started the 45-hour week prior to any local in the city of New York.

Senator CURTIS. Your particular local.

Mr. COHN. That is correct, sir.

Senator CURTIS. When did you go to a 40-hour week for everybody?

Mr. COHN. On May 24, I believe the date is, 1957. Simultaneously, the entire union went on a 40-hour week.

Senator CURTIS. You signed this contract with A. & P.?

Mr. COHN. Well, in essence, actually, I haven't signed it but I am responsible for the signature. The president of the local who was with me signed it, so you can state that I signed it, because we were there together.

Senator CURTIS. And that involved the grocery clerks?

Mr. COHN. That is correct, sir.

Senator CURTIS. Did you represent them at the time?

Mr. COHN. In my thinking at the time that I represented them, that is true. I am speaking for local 400 now.

Senator CURTIS. What did you base that on?

Mr. COHN. I based it upon the organization drive we have had in the shops, the cards we presented for the card count. On these bases we felt we represented them.

Senator CURTIS. How many cards did you present for the card count?

Mr. COHN. According to my memorandums that I have, I would say roughly about 68 percent of the cards of qualified workers in our area, we presented. Numerically that would be around 1,350, or around that, numerically.

Senator CURTIS. You presented around 1,350?

Mr. COHN. That is right, sir; for our local, Local 400.

Senator CURTIS. Were they all genuine?

Mr. COHN. To my knowledge, they were.

Senator CURTIS. What do you mean by that?

Mr. COHN. Well, I am not a roadman. By that I mean I do not go out in the stores. We have always had, since the inception of our organization, a shop steward system. No matter how small a shop is, we have an area system and a shop steward system. We were the first ones to organize the A. & P., as I stated before. We set up a shop steward, and we had a shop steward in every shop, and we had shop steward meetings. It was not in name only. We had actual shop steward meetings. We had gotten our shop stewards together and had given them cards to sign the grocery clerks up with.

We had only one business agent, one paid representative who was covering the entire Borough of Manhattan and the Bronx at that time, representing the Butchers since 1947. It would be physically impossible for him to do the job. The shop stewards cooperated. When I say to my knowledge, when these cards were given to me through either the shop stewards or the business representative, I accepted them as legitimate cards, and to the best of my knowledge I say they are valid cards.

I want to say that is only from the A. & P. workers.

Senator CURTIS. What connection, if any, is there between local 400 and Mr. Block?

Mr. COHN. We both belong to the same international as far as organization. When I say we both, I mean 342 and 400. We both belong to the New York Butchers District Council. We have employers who cross boundaries. They have shops in his geographical area, and they have shops in our geographical area.

We meet from time to time at meetings. We consult when we have a common problem. That is about as far as it goes.

Senator CURTIS. How do you reconcile your statement about 1,350 employees of A. & P. signing up in the union, and the statement attributed to Mr. Block here this morning that there were 300?

Mr. COHN. The statement made this morning which I heard, I do not know the answer to it, sir. I can only speak of local 400. I don't know how many cards Mr. Block presented. I did not handle them, I

did not look through them. What was going on in his area I know absolutely nothing about.

Senator CURTIS. But getting the grocery clerks organized was a joint effort, wasn't it?

Mr. COHN. A joint effort as far as conferring. As far as organizing, no one gave local 400 any assistance from any other local. In fact, let me state that local 489, the witness before me, who is much closer geographically, because Yonkers and the Bronx is the boundary line, even they work on their own in these things and we work on our own. There are times in various campaigns where we have crossed each other's boundaries because we have had a united campaign and going for one election, et cetera. But as a rule, up to this very date, we work on our own in these respects and so do the other locals.

Senator CURTIS. You work on your own, but weren't you both striving to get the grocery clerks of the A. & P. in the geographical area involved signed up in the tea company?

Mr. COHN. That is true. That is true.

Senator CURTIS. What is the committee to believe, that there were only 300 legitimate cards or that there were 130 in your part of it alone?

Mr. COHN. May I say to you, sir, I think the whole thing is misconstrued.

Senator CURTIS. That is what I want to be straightened out on.

Mr. COHN. When I speak of 1,300 cards, I speak of the cards presented by local 400 for the card count. When I heard the testimony given here, in which the former witness said there were 350 cards or 300, whatever he said, I think, and I am sure, he was speaking of 342. I do not know how many cards the others sent in. I do not know, whether it was 1 or 10,000. I have no way of knowing.

Senator CURTIS. Were they all involved in the same contract?

Mr. COHN. Yes, sir.

Senator CURTIS. I am not referring to identical contracts, but were they all in the contract?

Mr. COHN. There, too, sir, there is a differential.

In the Butcher contract the records will show, and I have copies of the contracts with me if you care to see them, that it calls for 400 and 489, and on the grocery contract, it calls for 400, 489, and 342. There is a differential.

The experience of elections we have gone through was on the brokers warehouse, the A. & P. brokers warehouse, and there was a State board where we first appeared many, many years ago, and there was the National Board before which we appeared many, many years, and they designated the Bronx warehouse as the collective bargaining unit. Therefore, we were bound by the election terms, and since that time the contracts have been signed that way.

When you speak of contracts, there are two different types of agreements, one for 489 and 400, verbally, the same, written the same, but heading different, and the other for 342, et cetera, et cetera.

Senator CURTIS. Were the cards that the grocery clerks asked to sign the same?

Mr. COHN. This, too, I cannot answer. I do not know, sir. I know what our cards were. I don't know what their cards were.

Senator CURTIS. I have here exhibit 2, which appears to be some sort of card. It says at the top:

In accordance with my legal rights guaranteed by the National and State Labor Relations Act, I hereby designate the joint chain store organizing committee of local 400 and local 489, A. F. of L., as my agent for collective bargaining.

There is a place for the name, address, store address, and the signature.

And down below it says:

The joint chain store organizing committee of local 400 and local 489, A. F. of L., 586 East 61st Street, Bronx, and 206 South Broadway, Yonkers, N. Y.

I want you to look at that and tell me whether or not that is the form of the card that was used?

(A document was handed to the witness.)

Mr. COHN. According to my recollection, in looking at this card, I would say that it is.

Senator CURTIS. Based upon what it recites there, and the addresses of the unions, did that also include the cards of Mr. Block?

Mr. COHN. No, sir.

Senator CURTIS. What was the number of his group?

Mr. COHN. Local 342.

Senator CURTIS. 342?

Mr. COHN. That is correct, sir.

Senator CURTIS. How many grocery clerks in this entire proceedings were put into the Meat Cutters Union on October 11? How many grocery clerks were involved?

Mr. COHN. When you speak of "involved," sir, when you speak of them, do you mean in the area which I represent, or on an overall basis?

Senator CURTIS. I mean in the whole group brought into the union.

Mr. COHN. The figures vary. I have been hearing in the last few days about 10,000, the figure I have been hearing. At the time I participated in this, I heard the figures of 9,000 or 8,500. So the actual figure I could not give, either from memory or record, because I don't think there is any such record, except the payroll of the company at that time that the changeover was made.

Senator CURTIS. Did anybody else have cards besides Mr. Block and you?

Mr. COHN. Are you referring to October 8, 9, and 10?

Senator CURTIS. Yes.

Mr. COHN. Mr. Block, myself, and 489, the numbers being 342, 400, and 489.

Senator CURTIS. How many cards did Mr. O'Grady certify?

Mr. COHN. I really don't know, sir. I can't recall the exact figure.

Senator CURTIS. Is it something over 4,000?

Mr. COHN. There, again, sir, I don't recall. If that is the figure you have, I assume it is correct.

The CHAIRMAN. They actually certified, I think, less than 4,000. There were 4,300 cards and he threw out some 500 of them, so it was actually 3,600 or so that were certified as legitimate cards. Out of 4,300 cards he received, he eliminated between 500 and 600.

Senator CURTIS. How many of those cards came from Mr. Block's union, how many from yours, and how many from the third?

Mr. COHN. I couldn't answer that, sir. I have no way of knowing the figures. I had no way of knowing the figures then or now. I have no way of knowing. I have never asked.

Senator CURTIS. I would like to have Mr. May state that.

The CHAIRMAN. I think we have the figure in the record from yesterday.

Mr. MAY. In the Garden City unit, 1,463 eligible employees, valid cards were 1,071. In Mr. Block's Brooklyn unit, 1,687 eligible employees, and valid cards were 1,047. In the Bronx unit, Mr. Cohn's unit, 2,562 eligible employees, and 1,300 plus 181.

The CHAIRMAN. 181 of those were eliminated?

Mr. MAY. No, they were additional cards brought in later in the card count. That would be 1,526 valid cards.

Senator CURTIS. How many cards did Mr. O'Grady throw out?

Mr. MAY. 705.

The CHAIRMAN. Did it total that many?

Mr. MAY. Yes, sir.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. Are there any other questions?

Mr. KENNEDY. No, Mr. Chairman.

The CHAIRMAN. The Chair has been requested by counsel for the A. & P. stores to ask you this question:

Didn't the A. & P. in the 1955 negotiations twice offer the 40-hour staggered week to your union?

Mr. COHN. I don't recall whether it was once or twice. It was offered. We rejected it.

The CHAIRMAN. It was offered?

Mr. COHN. Yes, sir.

The CHAIRMAN. You don't recall whether it was once or twice?

Mr. COHN. Yes, sir.

Mr. KENNEDY. Did they ever offer a 40-hour week straight to the union?

Mr. COHN. When you say "straight," if you mean no stagger, the answer is "No."

Mr. KENNEDY. And that is what you wanted?

Mr. COHN. That is correct.

The CHAIRMAN. All right. Thank you very much. You may stand aside.

Mr. KENNEDY. We have a number of other witnesses, Mr. Chairman, who have gotten sick. Mr. Murphy, the attorney for the union, was going to be an important witness. He counted the cards at one of these other card counts. Then several months later he ended up as the attorney for the union.

Then there was Mr. Arnold Cohen, the attorney for the union who was also supposed to be a witness, but he is sick. We are ending this phase at the present time.

The CHAIRMAN. The Chair has ascertained from counsel for the A. & P. stores that they have no witnesses they wish to produce or to have us hear at this time.

I thought in fairness to them they should be given that privilege if they had anyone or anything they wanted to clear up. I am advised by their counsel that they do not wish to offer any witnesses.

In conclusion, as we conclude this hearing, the Chair makes these observations:

As the committee concludes this phase of the current hearing, an analysis of the testimony during the past several days establishes a number of improper practices which this committee must condemn.

The evidence seems to be quite clear that the Great Atlantic & Pacific Tea Co. embarked on a course of conduct in 1952, obviously on the advice of their counsel, that produced serious violations of various provisions of the National Labor Relations Act.

We are forced to the inevitable conclusion, and the evidence before this committee amply supports it, that the A. & P. in its relations with the Amalgamated Meat Cutters, deprived more than 10,000 of its employees of their right guaranteed under the National Labor Relations Act to be represented by a collective bargaining agent of their own choice.

We have had the damaging admission by the top labor relations official of the A. & P. that he exacted from high-ranking officials of the Meat Cutters Union a secret guaranty that the company would be permitted to retain the 45-hour week for 5 years. It is obvious that the advantages of this agreement were measurable in millions of dollars.

That is substantial evidence that the company preferred the Meat Cutters Union to other unions which had been trying for years to organize its employees; that some of its managers and supervisors gave unlawful assistance to that union and that it coerced and intimidated its employees.

Not only were employees compelled to sign union authorization and membership cards but the company and the union entered into a conspiracy to keep from the employees the fact that there was to be a card count.

Futhermore, the record is clear that the card count was conducted in a most superficial manner and with no safeguards employed to insure that fraud would not be committed, as it undoubtedly was.

It is also clear that once the company had established its relationship with the Meat Cutters Union, it adopted a policy of doing everything it could legally and otherwise to maintain that relationship.

It has been the function of this committee to ferret out improper practices by management and labor. The testimony here seems incontrovertible that what was done in this case by both management and labor was highly improper and exceedingly repugnant to the recognized principles of orderly and sound labor-management relations.

The committee will stand in recess until 2 o'clock this afternoon, at which time we will go into a new phase of the investigation.

(Whereupon, at 12:10 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

(Members of the committee present at the taking of the recess were Senators McClellan and Curtis.)

EXHIBIT No. 1

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EXHIBIT No. 2

In accordance with my legal rights guaranteed by the National and State Labor Relations Act, I hereby designate the Joint Chain Store Organizing Committee of Local 400 and Local 489, A. F. of L., as my agent for collective bargaining.

Name.

Address.

Store Address..

Signature

JOINT CHAIN STORE ORGANIZING COMMITTEE
OF LOCAL 400 and LOCAL 489, A. F. of L.
586 East 161st Street Bronx, N. Y.
206 So. Broadway Yonkers, N. Y.

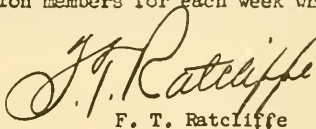
EXHIBIT No. 8

April 17, 1956

MEMO:

At a meeting held Thursday, April 12, 1956, at the Vanderbilt Hotel, attended by Max Block and Arnold Cohen, representing the Unions and B. A. Zorn, H. Lichtenstein and the writer, representing the Company, and subsequent meeting of Max Block and the writer held Monday night, April 16, 1956, the following points were discussed:

1. Check-off: Pursuant to previous discussions an agreement was made that a check-off of Union monthly dues would be made after the Union submitted signed cards authorizing same.
2. Parttime Employees: The Union claimed they have sufficient cards to show that they represent the parttime clerks working ten (10) hours or more but less than twenty (20) hours. We agreed that upon receipt of a telegram so stating Mr. Lichtenstein would contact Mr. Cohen and arrange for an impartial third party to verify the card representation.
3. Limiting the Percentage of Parttime Workers: This request previously made by the Union was rejected by the Company.
4. Change Welfare to Union Package Plan: This was rejected by the Union.
5. Eliminate Article V, Sub-division (e) of Contract: The Union refused to eliminate this paragraph, but agreed to modify it to give us the desired flexibility, as follows:
 - (a) Employees ordered to report for work at 7 a.m. may finish day's work at 5 p.m. or elect to work until 6 p.m. on an overtime basis.
 - (b) Night stocking shall be done at the Company's convenience after store hours, except in restricted areas where late night stocking is forbidden or not feasible.
 - (c) Journeymen Butchers assigned to night work shall receive a premium pay of \$1.50 nightly in addition to other pay.
6. A Uniform Initiation Fee shall be established for all Eastern Division new employees. A weekly dues of seventy-five cents (75¢) shall be deducted by the Company for all Parttime Union members for each week when worked.



F. T. Ratcliffe

EXHIBIT No. 9

CLASS OF SERVICE

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WESTERN UNION

W. F. MARSHALL, PRESIDENT

SYMBOLS

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FRENCH RADCLIFFE=DIRECTOR LABOR RELATIONS

=PLEASE BE ADVISED THAT THE LOCAL UNIONS OF THE AMALGAMATED MEAT CUTTERS AND BUTCHER WORKMEN UNDER CONTRACT WITH YOUR COMPANY COVERING THEIR MEMBERS EMPLOYED IN THE BROOKLYN, GARDENCITY, BRONX, NEWARK AND PATERSON UNITS, EACH REPRESENTS IN THEIR OWN UNITS MORE THAN A MAJORITY OF YOUR PART TIME WORKERS WHO ARE EMPLOYED LESS THAN 20 HOURS PER WEEK AND PRESENTLY NOT COVERED BY ANY AGREEMENT. BASED UPON MAJORITY REPRESENTATION THE UNIONS REQUEST RECOGNITION AS COLLECTIVE BARGAINING AGENTS OF THESE PART TIME EMPLOYEES AND THE COMMENCEMENT OF COLLECTIVE BARGAINING. KINDLY ARRANGE CONFERENCE WITH REPRESENTATIVES OF LOCAL UNIONS BY CONTACTING MAX BLOCK=

ARNOLD COHEN ATTORNEY 2 LAFAYETTE ST NEWYORK 17 NY=

325P.

20-07=THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

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